

# Fund Factsheet

December 31, 2010



## **KOTAK TAX SAVER**

Equity Linked Savings Scheme

### **Two reasons to rejoice**

- Growth potential
- Tax savings\*

Kotak Tax Saver gives you more than one reason to invest. Growth potential from investing in a diversified scheme and tax benefits. So what are you waiting for? Invest. Rejoice !

\*Subject to Income Tax Regulations.

Kotak Tax Saver has a lock-in period of 3 years.

Minimum Investment amount Rs. 500

Past Performance of the Sponsor/ AMC/ Fund does not indicate the schemes future performance.

Risk Factors on page 16.

Dear Friends,



At the onset, let me take this opportunity to wish you all a very happy and prosperous New Year.

Calendar year of 2010 again marked the reason why Indian markets are held in high esteem globally. With a year on year performance of 17.9%, Indian equities market continued to remain one of the best performing markets amongst the prominent economies of the world. During the previous year, the Indian equity markets attracted nearly

US\$ 29.4 bn in FII capital, which is more than double the flow witnessed in 2009.

Going forward, the growth in the domestic equity market is expected to be more stock, than sector specific. Albeit, a larger sectoral pattern can emerge over the following year. The equity market as such may register a more secular growth trend, with reduced volatility-bouts and lesser divergence in the sectoral growth.

Also, with the recovery in the global markets, one could see outperformance of IT, Metal, Oil and commodities sectors in the short term. As most of the stocks in these are large caps, we may see large-caps segment outperforming the midcap segment in the short run. However, over a longer period, the midcaps could outperform the largecaps. The EPS growth in the equities market may be around 19%, which puts a PE forward multiple of 16-16.5. This valuation is in-line with the long term average trend of the market.

On the debt side, the food led WPI inflation is expected to moderate to around 6.5% by March-11. However, the domestic debt market performance would remain a function of liquidity conditions and inflation outlook. The interest rates, which now are largely at pre-2008 crisis level, may in consequence may remain unchanged. However, the liquidity conditions may improve given the higher impetus provided by the central banker in augmenting the current levels. Therefore, we may expect the shorter end of the yield curve to moderate down. Also, the adherence to fiscal prudence too would be of vital consequence in determining the debt market sentiment in the year ahead.

On the mutual funds side, the increasingly competitive pricing and better transparency norms were the key takeaways last year. The changing business paradigm has made it incumbent upon the mutual funds professionals to re-invent the model wherein the performance-built, brand-cognitive investor drives the demand for the industry. In that context, professional aspects like astute financial knowledge, multifarious investor reach and simplicity of communication would increasingly be an important variable in augmenting investor relationships. We remain hopeful that as always, the industry and its channel partners would size-up to the challenge, and create additional value for investors.

Wishing you again a very happy New Year.

Regards,

**Sandesh Kirkire**

Mutual Fund investments are subject to market risks. Please read the Scheme Information Document and Statement of Additional Information carefully before investing.

## Equity Market View

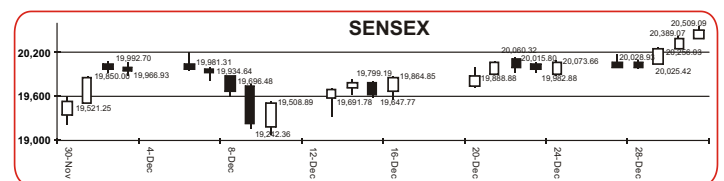
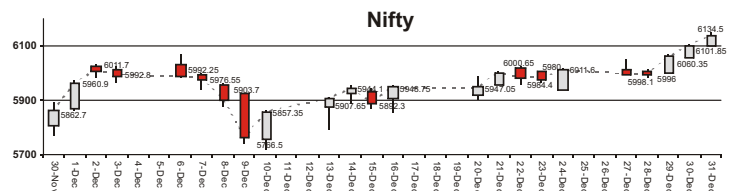
Indian equities market performance continued to remain upbeat for most of the December month, with key benchmark indices, Sensex and Nifty growing by 5.06% and 4.64% respectively during the period. For the calendar year, the performance of Sensex and Nifty was gauged at 17.4% and 17.9% respectively.

YoY Performance of Key Indices as on 31st Dec 10			
INDEX	COUNTRY	PERFORMANCE	RANK
Merval Buenos Aires Index	Argentina	51.8%	1
Jakarta Composite Index	Indonesia	46.1%	2
RTS Index	Russia	22.5%	3
Kospi	S. Korea	21.9%	4
KLSE	Malaysia	19.3%	5
<b>S&amp;P Nifty</b>	<b>India</b>	<b>18.0%</b>	<b>6</b>
Nasdaq	US	16.9%	7
DAX Index	Germany	16.1%	8
Dow Jones	US	11.0%	9
Strait Times	Singapore	10.1%	10
Taiwan Weighted	Taiwan	9.6%	11
FTSE	England	9.0%	12
HangSeng	Hong Kong	5.3%	13
Ibovespa Sao Paulo Index	Brazil	1.1%	14
Swiss Market Index	Switzerland	-1.7%	15
Nikkei	Japan	-3.0%	16
CAC 40 Index	France	-3.3%	17
SSE Composite Index	China	-14.3%	18

Source: ICRA

The performance of sectoral indices reflected the interplay of the specific factors intrinsic and peculiar to each sector; and therefore varied accordingly. The top sectoral gainers in December month were Metals (12.6%), IT (12%) and Oil & Gas (5.36%). On the other hand, Realty (-2.36%), Banking (-1.76%), and Consumer Durables (-1.2%) remained on the lag end of the sectoral indices performance chart. (Source: NSE)

The Sensex and Nifty performance displayed a daily returns variance (risk) of 0.899% and 0.905% respectively. The average daily cash volume in Nifty in the December month decreased by 22% to Rs 113,440 crs. On the y-o-y basis, the average daily cash volume in Nifty increased by 0.9%. The aggregate cash volume in Nifty for the period of December-2010 was recorded at Rs 2,95,685 crs a decrease of -18.77% over November month. (source: NSE).



(Source: nseindia, bseindia)

### Other Economic News: (Source: Mospi)

The 22% growth in banking sector, amounting to fresh outlay of Rs 6147 bn, has continued to provide significant demand impetus to the economy.

Of this, nearly 12.2% was directed into the agriculture sector, while manufacturing industry accounted for nearly 43.5% of the gross credit. Meanwhile, the services sector accounted for nearly 29% of the gross credit while the credit flow to the household segment was about 19%.

Amongst the subsegment, the lending to large manufacturing sector, for personal housing requirement, for trade, and for SMEs, attracted the most significant outlay.

## Deployment of Bank Credit by Major Sectors

Sr.No	Sector	YoY Growth			
		Nov.20, 2009	Nov.19, 2010	Nov.20, 2009 / Nov.21, 2008	Nov.19, 2010 / Nov.20, 2009
I	Gross Bank Credit (II + III)	27569	33716	9.9	22.3
II	Food Credit	406	562	-16.6	38.4
III	Non-food Credit (1 to 4)	27162	33153	10.4	22.1
1	Agriculture & Allied Activities	3431	4118	21.4	20.0
2	Industry (Micro & Small, Medium and Large)	11537	14655	14.2	27.0
2.1	Micro & Small	1845	2156	19.0	16.9
2.2	Medium	1316	1532	9.5	16.4
2.3	Large	8376	10966	14.0	30.9
3	Services	6517	8027	7.9	23.2
3.1	Transport Operators	405	563	10.6	39.2
3.2	Computer Software	107	149	30.1	38.5
3.3	Tourism, Hotels & Restaurants	157	265	22.7	69.0
3.4	Shipping	93	83	16.4	-10.6
3.5	Professional Services	460	565	8.4	23.0
3.6	Trade	1561	1746	14.4	11.9
3.6.1	Wholesale Trade (other than food procurement)	809	947	27.4	17.0
3.6.2	Retail Trade	752	799	3.0	6.3
3.7	Commercial Real Estate	886	1055	15.3	19.1
3.8	Non-Banking Financial Companies (NBFCs)	1028	1353	19.5	31.7
3.9	Other Services	1821	2248	-7.4	23.4
4	Personal Loans	5677	6353	0.7	11.9
4.1	Consumer Durables	90	89	-11.8	11.2
4.2	Housing (including Priority Sector Housing)	2918	3274	7.3	12.2
4.3	Advances against Fixed Deposits	448	536	-11.8	19.6
4.4	Advances to Individuals against share, bonds, etc.	23	29	-36.8	25.1
4.5	Credit Card Outstanding	226	189	-24.7	-16.5
4.6	Education	344	424	31.0	23.2
4.7	Vehicle Loans	621	737	2.1	18.7
4.8	Other Personal Loans	1016	1074	-8.5	5.7

Note:1. Data are provisional and relate to select 47 banks, which account for 95 per cent of total non-food credit extended by all scheduled commercial banks. Source: RBI

## Market Outlook

2011 has kicked in all Hope and expectation of better performance of India Inc. We feel that some headwinds in the form of hardening interest rates and higher input cost, along with worsening fiscal situation could be possible impediment to the overall economic growth. In the shorter term markets may take cues from the earnings season which kicks off in coming few days & volumes on the bourses may move up as many of the foreign Institutions resume operations after the vacation.

## Debt Market View

Particulars	Dec-10	Nov-10	Change
10 YR IGB (Yield) (31st/Dec/2010)	7.90%	8.03%	- 13 bps
10 YR UST (Yield) (31st/Dec/2010)	3.29%	2.87%	42 bps
Avg. LAF Surplus / Deficit (Rs. Cr)	-119180	-77235	-41945
Currency (Rs/\$) (31st/Dec/2010)	44.7	45.29	-0.59
India's Forex Reserve (Billion \$) (24/Dec/2010)	295	298.3	-3.3

Source: RBI, US Fed

## Inflation

Groups	Snapshot of Latest Monthly Inflation(Nov 2010)					
	MoM		March till date		YoY	
	FY10	FY11	FY10	FY11	FY10	FY11
<b>Aggregate WPI</b>	1.46	0.42	7.47	4.79	4.50	<b>7.48</b>
<b>Groups &amp; Sub Groups</b>						
<b>PRIMARY</b>	4.06	0.77	19.00	10.07	14.29	<b>13.00</b>
Food	4.37	0.06	21.46	10.15	16.73	<b>9.41</b>
Cereals	3.23	-0.12	10.42	1.14	14.29	<b>1.20</b>
Rice	1.50	0.24	7.61	1.53	11.14	<b>1.97</b>
Wheat	6.55	-0.52	15.46	-0.81	19.26	<b>-1.49</b>
Pulses	7.38	-3.83	30.74	-4.17	29.11	<b>-8.37</b>
Vegetables	6.97	-1.56	65.06	38.64	1.86	<b>-4.59</b>
Potatoes	-3.29	1.27	184.50	43.83	128.48	<b>-48.37</b>
Onions	10.32	29.35	21.06	69.29	18.55	<b>15.45</b>
Fruits	0.07	3.61	10.80	12.43	9.03	<b>19.93</b>
Milk	2.94	-0.56	12.55	5.92	22.12	<b>17.52</b>
Egg, Meat & Fish	7.49	0.62	27.72	13.07	27.62	<b>19.98</b>
Non-Food	3.03	3.90	9.05	11.58	4.85	<b>23.22</b>
Fibres	4.34	3.48	13.16	27.93	2.45	<b>36.22</b>
Oil	3.15	-1.43	5.25	1.32	2.52	<b>2.68</b>
Minerals	3.15	0	21.08	6.69	14.92	<b>21.54</b>
<b>FUEL &amp; Power</b>	0.97	0.34	9.42	6.07	-1.10	<b>10.32</b>
LPG	0.00	0.00	0.18	14.99	-7.45	<b>15.30</b>
Petrol	0.00	1.41	9.97	11.34	-11.91	<b>18.22</b>
Diesel Oil	0.00	0.07	6.52	6.22	-5.84	<b>14.71</b>
<b>MANUFACTURED</b>	0.49	0.31	2.85	2.23	2.33	<b>4.56</b>
Food Products	3.53	1.07	14.30	-0.14	17.94	<b>0.57</b>
Non-Metallic Minerals	-0.42	0.07	1.66	1.05	7.15	<b>2.63</b>
Machinery & Machine Tools	0.34	0.08	0.08	1.34	-0.25	<b>2.80</b>
Transport Equipment & Parts	0.34	0.08	-0.17	1.27	3.28	<b>2.66</b>

Source: RBI

The WPI based inflation at 7.48%(Nov 2010) continued to remain higher than the long term average. The inflation in the primary goods segment moderated partially and grew by 13% yoy. The pace of price escalation is expected to decelerate further; given the culmination of a largely normal monsoon season, and the onset of a high base-effect in the commodity segment.

The price growth in the primary goods segment continues to be dictated by the price hike of food commodities like cereals, fruits & Milk.

On the other hand, the prices of the select commodities in the energy and related segment have also showed renewed inflationary trend on account of rising cost of commodities, especially fuel. The inflation in Fuel & power segment as of november month stood at 10.32%. During the same period last year, the inflation this segment was at -1.10%.

The impact of the monetary policy regime is more visible on the manufactured products segment, which registered a price growth of 4.56% yoy in November 2010.

## Outlook

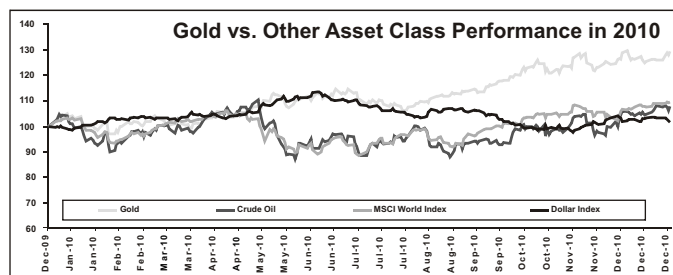
Going forward, we believe that while the policy rates (repo/reverse repo) have gone by 150 bps since the beginning of the current fiscal, the market yields at the shorter end have gone up by about 450 bps due to severe liquidity squeeze in the past few months. We believe that, as the RBI assisted liquidity-injection gains momentum, the yields at the shorter-end could fall more, than that at the longer end.

The longer-end yield structure would depend on demand-supply equation, vital of which, is the next year's borrowing programme. In essence, we maintain that the 10yr gilt may trade in the 7.75-8.00% level range in the last quarter of the current fiscal.

## Gold Corner

During the month of December, the spot gold closed at \$1,410.25 per ounce, up \$ 35.25, or 2.50 percent. In the period, the U.S. Trade-Weighted Dollar Index tumbled 2.67 percent. Over the calendar year of 2010, the prices of yellow metal increased by 29.52 percent. This is the biggest rise in three years and a record tenth consecutive annual gain. The key reasons attributable for this performance is largely based on the uncertainty pertaining the economic recovery and weakness in prominent currencies.

Gold was again one of the top performing assets as seen in the below graph in US dollars. Gold rose 29.52% during the year as compared to Crude 7.87%, MSCI World Index 9.55% and US Dollar Index by 1.50%.



The above data is equated to 100 as on 31st Dec 2010 Source: Bloomberg

The assets managed by Gold Exchange Traded Funds in the country increased to Rs. 3159.86 crore for the quarter of October December 2010.

## Outlook

Uncertain Sovereign debt outlook in certain EU countries, currency debasement and inflation concerns continue to drive safe haven demand for gold, internationally. Uptil now, gold has recorded its 10th consecutive year in its price escalation. Gold rose some 28% in US dollar terms, 34.5% in sterling terms, and 38% in euro terms; and by nearly similar proportions in other major currencies. This is indicative that fiat currencies are losing purchasing power and being devalued internationally. This increases the attraction of precious metals and hard assets that are finite and cannot be debased as inflation hedges - especially gold. With recent surge in the investment demand and a largely invariant supply, we believe that gold may continue to test higher price levels.

**Asset Under Management as on December 31, 2010 - Rs. 26525.78 Crores**

# EQUITY FUNDS

(As on December 31, 2010)

Scheme Name	KOTAK 50 (with effect from January 1, 2011)		KOTAK OPPORTUNITIES																																																																																																																																																							
	An Open-Ended Equity Growth Scheme		An Open - Ended Equity Growth Scheme																																																																																																																																																							
<b>Investment Objective</b>	To generate capital appreciation from a portfolio of predominantly equity and equity related securities. The portfolio will generally comprise of equity and equity related instruments of around 50 companies which may go up to 59 companies but will not exceed 59 at any point in time.		To generate capital appreciation from a diversified portfolio of equity and equity related securities.																																																																																																																																																							
<b>Available Options</b>	Dividend Payout, Dividend Reinvestment & Growth		Dividend Payout, Dividend Reinvestment & Growth																																																																																																																																																							
<b>Dividend Freq.</b>	Trustee's Discretion		Trustee's Discretion																																																																																																																																																							
<b>Fund Managers</b>	Mr. Krishna Sanghvi & Mr. Pradeep Kumar		Mr. Krishna Sanghvi & Mr. Pankaj Tibrewal																																																																																																																																																							
<b>Load Structure</b>	<b>Entry Load</b>	Nil.																																																																																																																																																								
	<b>Exit Load</b>	i) For redemptions/switch outs (including SIP/STP) within 1 year from the date of allotment of units, irrespective of the amount of investment: 1% ii) For redemptions/switch outs (including SIP/STP) after 1 year from the date of allotment of units, irrespective of the amount of investment: NIL																																																																																																																																																								
<b>Minimum Investment Amount</b>	<b>Initial Investment:</b> Rs. 5000 <b>Additional Investment:</b> Rs. 1000 & in multiples of Re1 <b>Ideal Investments Horizon -</b> 1-3 years		<b>Initial Investment:</b> Rs. 5000 <b>Additional Investment:</b> Rs. 1000 & in multiples of Re.1 <b>Ideal Investments Horizon -</b> 1-3 years																																																																																																																																																							
<b>Corpus &amp; Ratios</b>	<b>Corpus:</b> Rs. 956.13 crores <b>Ratios:</b> Portfolio Turnover: 173.18% Beta*: 0.86 Sharpe*: -0.04 Alpha*: -2.40 Standard Deviation*: 29.62 * Source: Value Research.		<b>Corpus:</b> Rs. 1052.88 crores. <b>Ratios:</b> Portfolio Turnover: 232.15% Beta*: 1.02 Sharpe*: -0.02 Alpha*: -2.21 Standard Deviation*: 35.63 Source: Value Research.																																																																																																																																																							
<b>Benchmark</b>	S&P CNX Nifty		S&P CNX 500																																																																																																																																																							
<b>Inception Date</b>	December 29, 1998		September 9, 2004																																																																																																																																																							
<b>Performance as on December 31, 2010</b>	<p>Kotak 50 NAV: Rs. 34.562 (Dividend Option), Rs. 109.582 (Growth Option) *All payouts during the period have been reinvested in the units of the scheme at the then prevailing NAV. Returns &lt;= 1 year: Absolute; Returns &gt; 1 year: CAGR (Compounded Annualised Growth Rate). Past performance may or may not be sustained in future.</p>		<p>Kotak Opportunities NAV: Rs. 49.992 (Growth Option), Rs. 16.173 (Dividend Option) *All payouts during the period have been reinvested in the units of the scheme at the then prevailing NAV. Returns &lt;= 1 year: Absolute; Returns &gt; 1 year: CAGR (Compounded Annualised Growth Rate). Past performance may or may not be sustained in future.</p>																																																																																																																																																							
<b>SIP Returns</b>	<table border="1"> <thead> <tr> <th>SIP Returns</th> <th>1 Year</th> <th>3 Year</th> <th>5 Year</th> <th>7 Year</th> </tr> </thead> <tbody> <tr> <td>Investment Amt.</td> <td>Rs. 12,000</td> <td>Rs. 36,000</td> <td>Rs. 60,000</td> <td>Rs. 84,000</td> </tr> <tr> <td>Investment Value</td> <td>Rs. 13,185</td> <td>Rs. 48,766</td> <td>Rs. 89,063</td> <td>Rs. 1,80,128</td> </tr> <tr> <td>XIRR</td> <td>18.81%</td> <td>20.75%</td> <td>15.80%</td> <td>21.41%</td> </tr> </tbody> </table> <p>Past performance may or may not be sustained in future.</p>		SIP Returns	1 Year	3 Year	5 Year	7 Year	Investment Amt.	Rs. 12,000	Rs. 36,000	Rs. 60,000	Rs. 84,000	Investment Value	Rs. 13,185	Rs. 48,766	Rs. 89,063	Rs. 1,80,128	XIRR	18.81%	20.75%	15.80%	21.41%	<table border="1"> <thead> <tr> <th>SIP Returns</th> <th>1 Year</th> <th>3 Year</th> <th>5 Year</th> </tr> </thead> <tbody> <tr> <td>Investment Amt.</td> <td>Rs. 12,000</td> <td>Rs. 36,000</td> <td>Rs. 60,000</td> </tr> <tr> <td>Investment Value</td> <td>Rs. 13,305</td> <td>Rs. 51,283</td> <td>Rs. 94,320</td> </tr> <tr> <td>XIRR</td> <td>20.76%</td> <td>24.39%</td> <td>18.14%</td> </tr> </tbody> </table> <p>Past performance may or may not be sustained in future.</p>		SIP Returns	1 Year	3 Year	5 Year	Investment Amt.	Rs. 12,000	Rs. 36,000	Rs. 60,000	Investment Value	Rs. 13,305	Rs. 51,283	Rs. 94,320	XIRR	20.76%	24.39%	18.14%																																																																																																																		
SIP Returns	1 Year	3 Year	5 Year	7 Year																																																																																																																																																						
Investment Amt.	Rs. 12,000	Rs. 36,000	Rs. 60,000	Rs. 84,000																																																																																																																																																						
Investment Value	Rs. 13,185	Rs. 48,766	Rs. 89,063	Rs. 1,80,128																																																																																																																																																						
XIRR	18.81%	20.75%	15.80%	21.41%																																																																																																																																																						
SIP Returns	1 Year	3 Year	5 Year																																																																																																																																																							
Investment Amt.	Rs. 12,000	Rs. 36,000	Rs. 60,000																																																																																																																																																							
Investment Value	Rs. 13,305	Rs. 51,283	Rs. 94,320																																																																																																																																																							
XIRR	20.76%	24.39%	18.14%																																																																																																																																																							
<b>Portfolio</b>	<table border="1"> <thead> <tr> <th>Issuer/ Instrument</th> <th>Industry/ Rating</th> <th>% to Net Assets</th> </tr> </thead> <tbody> <tr> <td colspan="3"><b>Equity &amp; Equity related (Listed/ Awaiting listing on Stock Exchange)</b></td> </tr> <tr> <td>Infosys Technologies Ltd.</td> <td>Software</td> <td>9.36%</td> </tr> <tr> <td>ICICI Bank Ltd.</td> <td>Banks</td> <td>7.19%</td> </tr> <tr> <td>Tata Consultancy Services Ltd.</td> <td>Software</td> <td>6.71%</td> </tr> <tr> <td>ITC Ltd.</td> <td>Consumer Non Durables</td> <td>6.03%</td> </tr> <tr> <td>HDFC Bank Ltd.</td> <td>Banks</td> <td>4.66%</td> </tr> <tr> <td>Oil &amp; Natural Gas Corporation Ltd.</td> <td>Oil</td> <td>4.58%</td> </tr> <tr> <td>Bharat Heavy Electricals Ltd.</td> <td>Industrial Capital Goods</td> <td>4.57%</td> </tr> <tr> <td>Reliance Industries Ltd.</td> <td>Petroleum Products</td> <td>4.43%</td> </tr> <tr> <td>Grasim Industries Ltd.</td> <td>Cement</td> <td>3.19%</td> </tr> <tr> <td>Larsen And Toubro Ltd.</td> <td>Construction Project</td> <td>3.11%</td> </tr> <tr> <td>Others</td> <td></td> <td>37.71%</td> </tr> <tr> <td><b>Listed/Awaiting Listing on Stock Exchange - Total</b></td> <td></td> <td><b>91.54%</b></td> </tr> <tr> <td><b>Reverse Repo</b></td> <td></td> <td><b>5.62%</b></td> </tr> <tr> <td><b>TERM DEPOSITS</b></td> <td></td> <td></td> </tr> <tr> <td>Kotak Mahindra Bank Ltd.</td> <td></td> <td>0.21%</td> </tr> <tr> <td><b>Term Deposits - Total</b></td> <td></td> <td><b>0.21%</b></td> </tr> <tr> <td><b>Net Current Assets/(Liabilities)</b></td> <td></td> <td><b>2.63%</b></td> </tr> <tr> <td><b>Grand Total</b></td> <td></td> <td><b>100%</b></td> </tr> </tbody> </table> <p><b>Notes:</b> Total NPA's provided for and percentage to NAV: Nil Total value and percentage to Net Asset of Illiquid Equity Shares: Nil</p>		Issuer/ Instrument	Industry/ Rating	% to Net Assets	<b>Equity &amp; Equity related (Listed/ Awaiting listing on Stock Exchange)</b>			Infosys Technologies Ltd.	Software	9.36%	ICICI Bank Ltd.	Banks	7.19%	Tata Consultancy Services Ltd.	Software	6.71%	ITC Ltd.	Consumer Non Durables	6.03%	HDFC Bank Ltd.	Banks	4.66%	Oil & Natural Gas Corporation Ltd.	Oil	4.58%	Bharat Heavy Electricals Ltd.	Industrial Capital Goods	4.57%	Reliance Industries Ltd.	Petroleum Products	4.43%	Grasim Industries Ltd.	Cement	3.19%	Larsen And Toubro Ltd.	Construction Project	3.11%	Others		37.71%	<b>Listed/Awaiting Listing on Stock Exchange - Total</b>		<b>91.54%</b>	<b>Reverse Repo</b>		<b>5.62%</b>	<b>TERM DEPOSITS</b>			Kotak Mahindra Bank Ltd.		0.21%	<b>Term Deposits - Total</b>		<b>0.21%</b>	<b>Net Current Assets/(Liabilities)</b>		<b>2.63%</b>	<b>Grand Total</b>		<b>100%</b>	<table border="1"> <thead> <tr> <th>Issuer/ Instrument</th> <th>Industry/ Rating</th> <th>% to Net Assets</th> </tr> </thead> <tbody> <tr> <td colspan="3"><b>Equity &amp; Equity related (Listed/ Awaiting listing on Stock Exchange)</b></td> </tr> <tr> <td>Infosys Technologies Ltd.</td> <td>Software</td> <td>5.06%</td> </tr> <tr> <td>ICICI Bank Ltd.</td> <td>Banks</td> <td>4.97%</td> </tr> <tr> <td>Tata Consultancy Services Ltd.</td> <td>Software</td> <td>4.71%</td> </tr> <tr> <td>Reliance Industries Ltd.</td> <td>Petroleum Products</td> <td>3.52%</td> </tr> <tr> <td>Grasim Industries Ltd.</td> <td>Cement</td> <td>3.48%</td> </tr> <tr> <td>State Bank Of India</td> <td>Banks</td> <td>2.94%</td> </tr> <tr> <td>ITC Ltd.</td> <td>Consumer Non Durables</td> <td>2.82%</td> </tr> <tr> <td>GlaxoSmithkline Consumer Healthcare Ltd.</td> <td>Consumer Non Durables</td> <td>2.67%</td> </tr> <tr> <td>Oil &amp; Natural Gas Corporation Ltd.</td> <td>Oil</td> <td>2.57%</td> </tr> <tr> <td>Mahindra &amp; Mahindra Ltd.</td> <td>Auto</td> <td>2.44%</td> </tr> <tr> <td>Others</td> <td></td> <td>60.37%</td> </tr> <tr> <td><b>Listed/Awaiting Listing on Stock Exchange - Total</b></td> <td></td> <td><b>95.55%</b></td> </tr> <tr> <td colspan="3"><b>Other than Hedging Positions through Options as on 31st Dec, 2010</b></td> </tr> <tr> <td><b>Underlying</b></td> <td><b>Long/Short</b></td> <td><b>Options Price When purchased</b></td> <td><b>Current Price of the Contract</b></td> <td><b>%age to NA</b></td> </tr> <tr> <td>NIFTY</td> <td>Long</td> <td>67.338</td> <td>43.95</td> <td>0.02%</td> </tr> <tr> <td colspan="3"><b>Issuer/ Instrument</b></td> <td><b>Industry/ Rating</b></td> <td><b>% to Net Assets</b></td> </tr> <tr> <td colspan="3"><b>Reverse Repo</b></td> <td></td> <td><b>4.25%</b></td> </tr> <tr> <td colspan="3"><b>TERM DEPOSITS</b></td> <td></td> <td></td> </tr> <tr> <td colspan="3">Kotak Mahindra Bank Ltd.</td> <td></td> <td>0.19%</td> </tr> <tr> <td colspan="3"><b>Term Deposits - Total</b></td> <td></td> <td><b>0.19%</b></td> </tr> <tr> <td colspan="3"><b>Net Current Assets/(Liabilities)</b></td> <td></td> <td><b>-0.01%</b></td> </tr> <tr> <td colspan="3"><b>Grand Total</b></td> <td></td> <td><b>100%</b></td> </tr> </tbody> </table> <p><b>Notes:</b> For the period ended 31st Dec '10 non-hedging transactions through options which have already been exercised/expired are as follows; Total Quantity entered into are 1,54,700 Gross Notional Value is Rs. 8,920.25 lacs, Net Profit/(Loss) is Rs. 47.35 lacs Total NPA's provided for and percentage to NAV: Nil Total value and percentage to Net Asset of Illiquid Equity Shares: Nil</p>		Issuer/ Instrument	Industry/ Rating	% to Net Assets	<b>Equity &amp; Equity related (Listed/ Awaiting listing on Stock Exchange)</b>			Infosys Technologies Ltd.	Software	5.06%	ICICI Bank Ltd.	Banks	4.97%	Tata Consultancy Services Ltd.	Software	4.71%	Reliance Industries Ltd.	Petroleum Products	3.52%	Grasim Industries Ltd.	Cement	3.48%	State Bank Of India	Banks	2.94%	ITC Ltd.	Consumer Non Durables	2.82%	GlaxoSmithkline Consumer Healthcare Ltd.	Consumer Non Durables	2.67%	Oil & Natural Gas Corporation Ltd.	Oil	2.57%	Mahindra & Mahindra Ltd.	Auto	2.44%	Others		60.37%	<b>Listed/Awaiting Listing on Stock Exchange - Total</b>		<b>95.55%</b>	<b>Other than Hedging Positions through Options as on 31st Dec, 2010</b>			<b>Underlying</b>	<b>Long/Short</b>	<b>Options Price When purchased</b>	<b>Current Price of the Contract</b>	<b>%age to NA</b>	NIFTY	Long	67.338	43.95	0.02%	<b>Issuer/ Instrument</b>			<b>Industry/ Rating</b>	<b>% to Net Assets</b>	<b>Reverse Repo</b>				<b>4.25%</b>	<b>TERM DEPOSITS</b>					Kotak Mahindra Bank Ltd.				0.19%	<b>Term Deposits - Total</b>				<b>0.19%</b>	<b>Net Current Assets/(Liabilities)</b>				<b>-0.01%</b>	<b>Grand Total</b>				<b>100%</b>
Issuer/ Instrument	Industry/ Rating	% to Net Assets																																																																																																																																																								
<b>Equity &amp; Equity related (Listed/ Awaiting listing on Stock Exchange)</b>																																																																																																																																																										
Infosys Technologies Ltd.	Software	9.36%																																																																																																																																																								
ICICI Bank Ltd.	Banks	7.19%																																																																																																																																																								
Tata Consultancy Services Ltd.	Software	6.71%																																																																																																																																																								
ITC Ltd.	Consumer Non Durables	6.03%																																																																																																																																																								
HDFC Bank Ltd.	Banks	4.66%																																																																																																																																																								
Oil & Natural Gas Corporation Ltd.	Oil	4.58%																																																																																																																																																								
Bharat Heavy Electricals Ltd.	Industrial Capital Goods	4.57%																																																																																																																																																								
Reliance Industries Ltd.	Petroleum Products	4.43%																																																																																																																																																								
Grasim Industries Ltd.	Cement	3.19%																																																																																																																																																								
Larsen And Toubro Ltd.	Construction Project	3.11%																																																																																																																																																								
Others		37.71%																																																																																																																																																								
<b>Listed/Awaiting Listing on Stock Exchange - Total</b>		<b>91.54%</b>																																																																																																																																																								
<b>Reverse Repo</b>		<b>5.62%</b>																																																																																																																																																								
<b>TERM DEPOSITS</b>																																																																																																																																																										
Kotak Mahindra Bank Ltd.		0.21%																																																																																																																																																								
<b>Term Deposits - Total</b>		<b>0.21%</b>																																																																																																																																																								
<b>Net Current Assets/(Liabilities)</b>		<b>2.63%</b>																																																																																																																																																								
<b>Grand Total</b>		<b>100%</b>																																																																																																																																																								
Issuer/ Instrument	Industry/ Rating	% to Net Assets																																																																																																																																																								
<b>Equity &amp; Equity related (Listed/ Awaiting listing on Stock Exchange)</b>																																																																																																																																																										
Infosys Technologies Ltd.	Software	5.06%																																																																																																																																																								
ICICI Bank Ltd.	Banks	4.97%																																																																																																																																																								
Tata Consultancy Services Ltd.	Software	4.71%																																																																																																																																																								
Reliance Industries Ltd.	Petroleum Products	3.52%																																																																																																																																																								
Grasim Industries Ltd.	Cement	3.48%																																																																																																																																																								
State Bank Of India	Banks	2.94%																																																																																																																																																								
ITC Ltd.	Consumer Non Durables	2.82%																																																																																																																																																								
GlaxoSmithkline Consumer Healthcare Ltd.	Consumer Non Durables	2.67%																																																																																																																																																								
Oil & Natural Gas Corporation Ltd.	Oil	2.57%																																																																																																																																																								
Mahindra & Mahindra Ltd.	Auto	2.44%																																																																																																																																																								
Others		60.37%																																																																																																																																																								
<b>Listed/Awaiting Listing on Stock Exchange - Total</b>		<b>95.55%</b>																																																																																																																																																								
<b>Other than Hedging Positions through Options as on 31st Dec, 2010</b>																																																																																																																																																										
<b>Underlying</b>	<b>Long/Short</b>	<b>Options Price When purchased</b>	<b>Current Price of the Contract</b>	<b>%age to NA</b>																																																																																																																																																						
NIFTY	Long	67.338	43.95	0.02%																																																																																																																																																						
<b>Issuer/ Instrument</b>			<b>Industry/ Rating</b>	<b>% to Net Assets</b>																																																																																																																																																						
<b>Reverse Repo</b>				<b>4.25%</b>																																																																																																																																																						
<b>TERM DEPOSITS</b>																																																																																																																																																										
Kotak Mahindra Bank Ltd.				0.19%																																																																																																																																																						
<b>Term Deposits - Total</b>				<b>0.19%</b>																																																																																																																																																						
<b>Net Current Assets/(Liabilities)</b>				<b>-0.01%</b>																																																																																																																																																						
<b>Grand Total</b>				<b>100%</b>																																																																																																																																																						
<b>Sector Allocation</b>	<table border="1"> <tbody> <tr><td>Software</td><td>18.64%</td></tr> <tr><td>Banks</td><td>18.2%</td></tr> <tr><td>Consumer Non Durables</td><td>9.47%</td></tr> <tr><td>Petroleum Products</td><td>6.6%</td></tr> <tr><td>Industrial Capital Goods</td><td>6.41%</td></tr> <tr><td>CBLO &amp; Term Deposits &amp; Rev.Repo</td><td>5.83%</td></tr> <tr><td>Oil</td><td>4.58%</td></tr> <tr><td>Construction Project</td><td>4.5%</td></tr> <tr><td>Pharmaceuticals</td><td>4.19%</td></tr> <tr><td>Power</td><td>4.16%</td></tr> <tr><td>Others</td><td>17.42%</td></tr> </tbody> </table>		Software	18.64%	Banks	18.2%	Consumer Non Durables	9.47%	Petroleum Products	6.6%	Industrial Capital Goods	6.41%	CBLO & Term Deposits & Rev.Repo	5.83%	Oil	4.58%	Construction Project	4.5%	Pharmaceuticals	4.19%	Power	4.16%	Others	17.42%	<table border="1"> <tbody> <tr><td>Banks</td><td>17.34%</td></tr> <tr><td>Software</td><td>11.32%</td></tr> <tr><td>Consumer Non Durables</td><td>9.55%</td></tr> <tr><td>Pharmaceuticals</td><td>9.34%</td></tr> <tr><td>Petroleum Products</td><td>6.72%</td></tr> <tr><td>Cement</td><td>5.17%</td></tr> <tr><td>Auto</td><td>5.16%</td></tr> <tr><td>Finance</td><td>4.88%</td></tr> <tr><td>CBLO &amp; Term Deposits &amp; Rev.Repo</td><td>4.44%</td></tr> <tr><td>Construction Project</td><td>4.39%</td></tr> <tr><td>Others</td><td>21.69%</td></tr> </tbody> </table>		Banks	17.34%	Software	11.32%	Consumer Non Durables	9.55%	Pharmaceuticals	9.34%	Petroleum Products	6.72%	Cement	5.17%	Auto	5.16%	Finance	4.88%	CBLO & Term Deposits & Rev.Repo	4.44%	Construction Project	4.39%	Others	21.69%																																																																																																										
Software	18.64%																																																																																																																																																									
Banks	18.2%																																																																																																																																																									
Consumer Non Durables	9.47%																																																																																																																																																									
Petroleum Products	6.6%																																																																																																																																																									
Industrial Capital Goods	6.41%																																																																																																																																																									
CBLO & Term Deposits & Rev.Repo	5.83%																																																																																																																																																									
Oil	4.58%																																																																																																																																																									
Construction Project	4.5%																																																																																																																																																									
Pharmaceuticals	4.19%																																																																																																																																																									
Power	4.16%																																																																																																																																																									
Others	17.42%																																																																																																																																																									
Banks	17.34%																																																																																																																																																									
Software	11.32%																																																																																																																																																									
Consumer Non Durables	9.55%																																																																																																																																																									
Pharmaceuticals	9.34%																																																																																																																																																									
Petroleum Products	6.72%																																																																																																																																																									
Cement	5.17%																																																																																																																																																									
Auto	5.16%																																																																																																																																																									
Finance	4.88%																																																																																																																																																									
CBLO & Term Deposits & Rev.Repo	4.44%																																																																																																																																																									
Construction Project	4.39%																																																																																																																																																									
Others	21.69%																																																																																																																																																									

# EQUITY FUNDS

(As on December 31, 2010)

Scheme Name	<b>KOTAK TAX SAVER</b> <i>An Open-Ended Equity Linked Saving Scheme</i>	<b>KOTAK MID-CAP</b> <i>An Open - Ended Equity Growth Scheme</i>																																																																																																						
<b>Investment Objective</b>	To generate long-term capital appreciation from a diversified portfolio of equity and equity related securities and enable investors to avail the income tax rebate, as permitted from time to time.	To generate capital appreciation from a diversified portfolio of equity and equity related securities.																																																																																																						
<b>Available Options</b>	Dividend Payout, Dividend Reinvestment & Growth	Dividend Payout, Dividend Reinvestment & Growth																																																																																																						
<b>Dividend Freq.</b>	Trustee's Discretion	Trustee's Discretion																																																																																																						
<b>Fund Managers</b>	Mr. Pankaj Tibrewal & Mr. Krishna Sanghvi	Mr. Pankaj Tibrewal & Mr. Emmanuel Elango																																																																																																						
<b>Load Structure</b>	<b>Entry Load</b>	Nil.																																																																																																						
	<b>Exit Load</b>	Exit Load is not applicable for Kotak Tax Saver Scheme.  i) For redemptions / switch outs (including SIP/STP) within 1 year from the date of allotment of units, irrespective of the amount of investment: 1% ii) For redemptions / switch outs (including SIP/STP) after 1 year from the date of allotment of units, irrespective of the amount of investment: NIL																																																																																																						
<b>Minimum Investment Amount</b>	<b>Initial Investment:</b> Rs. 500 <b>Additional Investment:</b> Rs. 500 & in multiples of Rs. 500 <b>Ideal Investments Horizon</b> - 3 years	<b>Initial Investment:</b> Rs. 5000 <b>Additional Investment:</b> Rs. 1000 & in multiples of Re.1. <b>Ideal Investments Horizon</b> - 1-3 years																																																																																																						
<b>Corpus &amp; Ratios</b>	<b>Corpus:</b> Rs. 595.43 crores. <b>Ratios:</b> Portfolio Turnover: 239.19% Beta*: 1.04 Sharpe*: -0.09 Alpha*: -4.69 Standard Deviation*: 36.09 * Source: Value Research.	<b>Corpus:</b> Rs. 276.93 crores. <b>Ratios:</b> Portfolio Turnover: 348.32% Beta*: 1.08 Sharpe*: -0.02 Alpha*: -2.21 Standard Deviation*: 38.31 Source: Value Research.																																																																																																						
<b>Benchmark</b>	S&P CNX 500	CNX Midcap																																																																																																						
<b>Inception Date</b>	November 23, 2005	February 24, 2005																																																																																																						
<b>Performance as on December 31, 2010</b>	<p>Kotak Tax Saver NAV: Rs. 19.998 (Growth Option), Rs. 12.246 (Dividend Option) *All payouts during the period have been reinvested in the units of the scheme at the then prevailing NAV. Returns &lt;= 1 year: Absolute. Returns &gt; 1 year: CAGR (Compounded Annualised Growth Rate). Past performance may or may not be sustained in future.</p>	<p>Kotak Midcap NAV: Rs. 27.477 (Growth Option), Rs. 19.113 (Dividend Option) *All payouts during the period have been reinvested in the units of the scheme at the then prevailing NAV. Returns &lt;= 1 year: Absolute. Returns &gt; 1 year: CAGR (Compounded Annualised Growth Rate). Past performance may or may not be sustained in future.</p>																																																																																																						
<b>Portfolio</b>	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Issuer/ Instrument</th> <th>Industry/ Rating</th> <th>% to Net Assets</th> </tr> </thead> <tbody> <tr> <td colspan="3"><b>Equity &amp; Equity related (Listed/ Awaiting listing on Stock Exchange)</b></td> </tr> <tr> <td>ICICI Bank Ltd.</td> <td>Banks</td> <td>5.19%</td> </tr> <tr> <td>Infosys Technologies Ltd.</td> <td>Software</td> <td>5%</td> </tr> <tr> <td>Reliance Industries Ltd.</td> <td>Petroleum Products</td> <td>4.62%</td> </tr> <tr> <td>Tata Consultancy Services Ltd.</td> <td>Software</td> <td>3.82%</td> </tr> <tr> <td>State Bank Of India</td> <td>Banks</td> <td>3.07%</td> </tr> <tr> <td>Larsen And Toubro Ltd.</td> <td>Construction Project</td> <td>2.99%</td> </tr> <tr> <td>Zuari Industries (Agrochemicals) Ltd.</td> <td>Fertilisers</td> <td>2.98%</td> </tr> <tr> <td>HDFC Bank Ltd.</td> <td>Banks</td> <td>2.84%</td> </tr> <tr> <td>Axis Bank Ltd.</td> <td>Banks</td> <td>2.49%</td> </tr> <tr> <td>ITC Ltd.</td> <td>Consumer Non Durables</td> <td>2.49%</td> </tr> <tr> <td>Others</td> <td></td> <td>62.37%</td> </tr> <tr> <td><b>Listed/Awaiting Listing on Stock Exchange - Total</b></td> <td></td> <td><b>97.86%</b></td> </tr> <tr> <td><b>Reverse Repo</b></td> <td></td> <td><b>1.34%</b></td> </tr> <tr> <td><b>Net Current Assets/(Liabilities)</b></td> <td></td> <td><b>0.80%</b></td> </tr> <tr> <td><b>Grand Total</b></td> <td></td> <td><b>100%</b></td> </tr> </tbody> </table> <p><b>Notes:</b> Total NPAs provided for and percentage to NAV: Nil Total value and percentage to Net Asset of Illiquid Equity Shares: Nil</p>	Issuer/ Instrument	Industry/ Rating	% to Net Assets	<b>Equity &amp; Equity related (Listed/ Awaiting listing on Stock Exchange)</b>			ICICI Bank Ltd.	Banks	5.19%	Infosys Technologies Ltd.	Software	5%	Reliance Industries Ltd.	Petroleum Products	4.62%	Tata Consultancy Services Ltd.	Software	3.82%	State Bank Of India	Banks	3.07%	Larsen And Toubro Ltd.	Construction Project	2.99%	Zuari Industries (Agrochemicals) Ltd.	Fertilisers	2.98%	HDFC Bank Ltd.	Banks	2.84%	Axis Bank Ltd.	Banks	2.49%	ITC Ltd.	Consumer Non Durables	2.49%	Others		62.37%	<b>Listed/Awaiting Listing on Stock Exchange - Total</b>		<b>97.86%</b>	<b>Reverse Repo</b>		<b>1.34%</b>	<b>Net Current Assets/(Liabilities)</b>		<b>0.80%</b>	<b>Grand Total</b>		<b>100%</b>	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Issuer/ Instrument</th> <th>Industry/ Rating</th> <th>% to Net Assets</th> </tr> </thead> <tbody> <tr> <td colspan="3"><b>Equity &amp; Equity related (Listed/ Awaiting listing on Stock Exchange)</b></td> </tr> <tr> <td>GlaxoSmithkline Consumer Healthcare Ltd.</td> <td>Consumer Non Durables</td> <td>2.70%</td> </tr> <tr> <td>Lupin Ltd.</td> <td>Pharmaceuticals</td> <td>2.26%</td> </tr> <tr> <td>Zuari Industries (Agrochemicals) Ltd.</td> <td>Fertilisers</td> <td>2.24%</td> </tr> <tr> <td>Sintex Industries Ltd.</td> <td>Industrial Products</td> <td>2.17%</td> </tr> <tr> <td>Mphasis Ltd.</td> <td>Software</td> <td>2.11%</td> </tr> <tr> <td>EID Parry (India) Ltd.</td> <td>Consumer Non Durables</td> <td>2.10%</td> </tr> <tr> <td>Whirlpool of India Ltd.</td> <td>Consumer Durables</td> <td>2.10%</td> </tr> <tr> <td>Volta Ltd.</td> <td>Construction Project</td> <td>2.08%</td> </tr> <tr> <td>Zodiac Clothing Company Ltd.</td> <td>Textile Products</td> <td>2.06%</td> </tr> <tr> <td>Ipca Laboratories Ltd.</td> <td>Pharmaceuticals</td> <td>2.02%</td> </tr> <tr> <td>Others</td> <td></td> <td>72.83%</td> </tr> <tr> <td><b>Listed/Awaiting Listing on Stock Exchange - Total</b></td> <td></td> <td><b>94.67%</b></td> </tr> <tr> <td><b>Reverse Repo</b></td> <td></td> <td><b>1.80%</b></td> </tr> <tr> <td><b>Net Current Assets/(Liabilities)</b></td> <td></td> <td><b>3.53%</b></td> </tr> <tr> <td><b>Grand Total</b></td> <td></td> <td><b>100%</b></td> </tr> </tbody> </table> <p><b>Notes:</b> Total NPAs provided for and percentage to NAV: Nil Total value and percentage to Net Asset of Illiquid Equity Shares: Nil</p>	Issuer/ Instrument	Industry/ Rating	% to Net Assets	<b>Equity &amp; Equity related (Listed/ Awaiting listing on Stock Exchange)</b>			GlaxoSmithkline Consumer Healthcare Ltd.	Consumer Non Durables	2.70%	Lupin Ltd.	Pharmaceuticals	2.26%	Zuari Industries (Agrochemicals) Ltd.	Fertilisers	2.24%	Sintex Industries Ltd.	Industrial Products	2.17%	Mphasis Ltd.	Software	2.11%	EID Parry (India) Ltd.	Consumer Non Durables	2.10%	Whirlpool of India Ltd.	Consumer Durables	2.10%	Volta Ltd.	Construction Project	2.08%	Zodiac Clothing Company Ltd.	Textile Products	2.06%	Ipca Laboratories Ltd.	Pharmaceuticals	2.02%	Others		72.83%	<b>Listed/Awaiting Listing on Stock Exchange - Total</b>		<b>94.67%</b>	<b>Reverse Repo</b>		<b>1.80%</b>	<b>Net Current Assets/(Liabilities)</b>		<b>3.53%</b>	<b>Grand Total</b>		<b>100%</b>
Issuer/ Instrument	Industry/ Rating	% to Net Assets																																																																																																						
<b>Equity &amp; Equity related (Listed/ Awaiting listing on Stock Exchange)</b>																																																																																																								
ICICI Bank Ltd.	Banks	5.19%																																																																																																						
Infosys Technologies Ltd.	Software	5%																																																																																																						
Reliance Industries Ltd.	Petroleum Products	4.62%																																																																																																						
Tata Consultancy Services Ltd.	Software	3.82%																																																																																																						
State Bank Of India	Banks	3.07%																																																																																																						
Larsen And Toubro Ltd.	Construction Project	2.99%																																																																																																						
Zuari Industries (Agrochemicals) Ltd.	Fertilisers	2.98%																																																																																																						
HDFC Bank Ltd.	Banks	2.84%																																																																																																						
Axis Bank Ltd.	Banks	2.49%																																																																																																						
ITC Ltd.	Consumer Non Durables	2.49%																																																																																																						
Others		62.37%																																																																																																						
<b>Listed/Awaiting Listing on Stock Exchange - Total</b>		<b>97.86%</b>																																																																																																						
<b>Reverse Repo</b>		<b>1.34%</b>																																																																																																						
<b>Net Current Assets/(Liabilities)</b>		<b>0.80%</b>																																																																																																						
<b>Grand Total</b>		<b>100%</b>																																																																																																						
Issuer/ Instrument	Industry/ Rating	% to Net Assets																																																																																																						
<b>Equity &amp; Equity related (Listed/ Awaiting listing on Stock Exchange)</b>																																																																																																								
GlaxoSmithkline Consumer Healthcare Ltd.	Consumer Non Durables	2.70%																																																																																																						
Lupin Ltd.	Pharmaceuticals	2.26%																																																																																																						
Zuari Industries (Agrochemicals) Ltd.	Fertilisers	2.24%																																																																																																						
Sintex Industries Ltd.	Industrial Products	2.17%																																																																																																						
Mphasis Ltd.	Software	2.11%																																																																																																						
EID Parry (India) Ltd.	Consumer Non Durables	2.10%																																																																																																						
Whirlpool of India Ltd.	Consumer Durables	2.10%																																																																																																						
Volta Ltd.	Construction Project	2.08%																																																																																																						
Zodiac Clothing Company Ltd.	Textile Products	2.06%																																																																																																						
Ipca Laboratories Ltd.	Pharmaceuticals	2.02%																																																																																																						
Others		72.83%																																																																																																						
<b>Listed/Awaiting Listing on Stock Exchange - Total</b>		<b>94.67%</b>																																																																																																						
<b>Reverse Repo</b>		<b>1.80%</b>																																																																																																						
<b>Net Current Assets/(Liabilities)</b>		<b>3.53%</b>																																																																																																						
<b>Grand Total</b>		<b>100%</b>																																																																																																						
<b>Sector Allocation</b>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tbody> <tr><td>Banks</td><td>19.15%</td></tr> <tr><td>Software</td><td>11.18%</td></tr> <tr><td>Pharmaceuticals</td><td>8.02%</td></tr> <tr><td>Consumer Non Durables</td><td>7.3%</td></tr> <tr><td>Petroleum Products</td><td>6.78%</td></tr> <tr><td>Finance</td><td>4.63%</td></tr> <tr><td>Auto</td><td>4.44%</td></tr> <tr><td>Construction Project</td><td>4.16%</td></tr> <tr><td>Industrial Capital Goods</td><td>4.01%</td></tr> <tr><td>Fertilisers</td><td>2.98%</td></tr> <tr><td>Others</td><td>27.35%</td></tr> </tbody> </table>	Banks	19.15%	Software	11.18%	Pharmaceuticals	8.02%	Consumer Non Durables	7.3%	Petroleum Products	6.78%	Finance	4.63%	Auto	4.44%	Construction Project	4.16%	Industrial Capital Goods	4.01%	Fertilisers	2.98%	Others	27.35%	<table border="1" style="width: 100%; border-collapse: collapse;"> <tbody> <tr><td>Banks</td><td>13.79%</td></tr> <tr><td>Consumer Non Durables</td><td>9.5%</td></tr> <tr><td>Pharmaceuticals</td><td>8.36%</td></tr> <tr><td>Industrial Products</td><td>6.62%</td></tr> <tr><td>Industrial Capital Goods</td><td>6.6%</td></tr> <tr><td>Transportation</td><td>6.26%</td></tr> <tr><td>Fertilisers</td><td>4.28%</td></tr> <tr><td>Cement</td><td>3.74%</td></tr> <tr><td>Textile Products</td><td>3.56%</td></tr> <tr><td>Consumer Durables</td><td>3.53%</td></tr> <tr><td>Others</td><td>33.76%</td></tr> </tbody> </table> <p><b>Midcap stocks as a % age of Net Assets: 63.83%</b></p>	Banks	13.79%	Consumer Non Durables	9.5%	Pharmaceuticals	8.36%	Industrial Products	6.62%	Industrial Capital Goods	6.6%	Transportation	6.26%	Fertilisers	4.28%	Cement	3.74%	Textile Products	3.56%	Consumer Durables	3.53%	Others	33.76%																																																										
Banks	19.15%																																																																																																							
Software	11.18%																																																																																																							
Pharmaceuticals	8.02%																																																																																																							
Consumer Non Durables	7.3%																																																																																																							
Petroleum Products	6.78%																																																																																																							
Finance	4.63%																																																																																																							
Auto	4.44%																																																																																																							
Construction Project	4.16%																																																																																																							
Industrial Capital Goods	4.01%																																																																																																							
Fertilisers	2.98%																																																																																																							
Others	27.35%																																																																																																							
Banks	13.79%																																																																																																							
Consumer Non Durables	9.5%																																																																																																							
Pharmaceuticals	8.36%																																																																																																							
Industrial Products	6.62%																																																																																																							
Industrial Capital Goods	6.6%																																																																																																							
Transportation	6.26%																																																																																																							
Fertilisers	4.28%																																																																																																							
Cement	3.74%																																																																																																							
Textile Products	3.56%																																																																																																							
Consumer Durables	3.53%																																																																																																							
Others	33.76%																																																																																																							

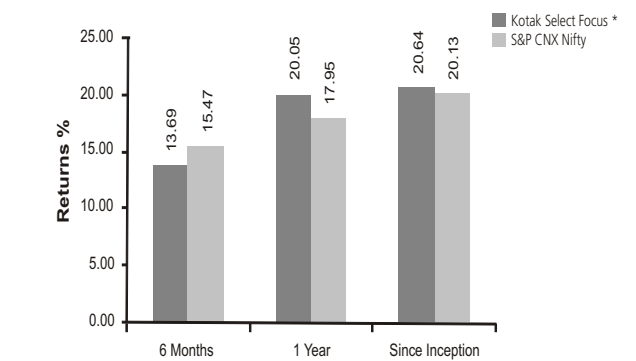
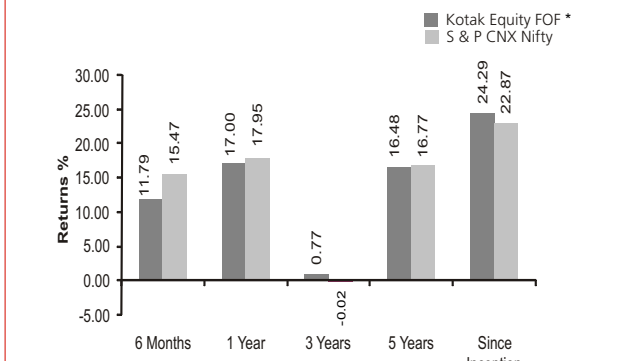
# EQUITY FUNDS

(As on December 31, 2010)

Scheme Name	<b>KOTAK BALANCE</b> <i>An Open-Ended Balanced Scheme</i>	<b>KOTAK LIFESTYLE</b> <i>An Open - Ended Equity Growth Scheme</i>																																																																																																																																																																																																							
<b>Investment Objective</b>	To achieve growth by investing in equity & equity related instruments, balanced with income generation by investing in debt & money market instruments.	The investment objective of the fund is to generate long term capital appreciation from a portfolio of equity and equity related securities, generally diversified across companies, which are likely to benefit by changing lifestyle and rising consumerism in India.																																																																																																																																																																																																							
<b>Available Options</b>	Dividend Payout & Dividend Reinvestment	Dividend Payout, Dividend Reinvestment & Growth																																																																																																																																																																																																							
<b>Dividend Freq.</b>	Half Yearly (25th of Mar/Sep)	Trustee's Discretion																																																																																																																																																																																																							
<b>Fund Managers</b>	Mr. Pankaj Tibrewal, Mr. Krishna Sanghvi, & Mr. Abhishek Bisen.	Mr. Emmanuel Elango & Mr. Krishna Sanghvi																																																																																																																																																																																																							
<b>Load Structure</b>	Entry Load: Nil. Exit Load: i) For redemptions/switch outs (including SIP/STP) within 1 year from the date of allotment of units, irrespective of the amount of investment: 1% ii) For redemptions/switch outs (including SIP/STP) after 1 year from the date of allotment of units, irrespective of the amount of investment: NIL																																																																																																																																																																																																								
<b>Minimum Investment Amount</b>	<b>Initial Investment:</b> Rs. 5000 <b>Additional Investment:</b> Rs. 1000 & in multiples of Re 1 <b>Ideal Investments Horizon</b> - 1-3 years	<b>Initial Investment:</b> Rs. 5000 <b>Additional Investment:</b> Rs. 1000 & in multiples of Re. 1. <b>Ideal Investments Horizon</b> - 1-3 years																																																																																																																																																																																																							
<b>Corpus &amp; Ratios</b>	<b>Corpus:</b> Rs. 60.65 crores. <b>Ratios:</b> Portfolio Turnover: 175.85% Beta*: 0.95 Sharpe*: -0.07 Alpha*: -1.36 Standard Deviation*: 23.70 *Source: Value Research	<b>Corpus:</b> Rs. 97.90 crores. <b>Ratios:</b> Portfolio Turnover: 115.99% Beta*: 0.84 Sharpe*: -0.14 Alpha*: -5.37 Standard Deviation*: 30.37 * Source: Value Research.																																																																																																																																																																																																							
<b>Benchmark</b>	Crisil Balanced Fund Index	S & P CNX 500																																																																																																																																																																																																							
<b>Inception Date</b>	November 25, 1999	March 21, 2006																																																																																																																																																																																																							
<b>Performance as on December 31, 2010</b>	<p style="font-size: small;">Kotak Balance NAV: Rs. 23.75 (Dividend Option)                      *All payouts during the period have been reinvested in the units of the scheme at the then prevailing NAV. Returns &lt;= 1 year: Absolute; Returns &gt; 1 year: CAGR (Compounded Annualised Growth Rate). Past performance may or may not be sustained in future.</p>	<p style="font-size: small;">Kotak Lifestyle NAV: Rs. 14.698 (Growth Option), Rs. 12.73 (Dividend Option)                      *All payouts during the period have been reinvested in the units of the scheme at the then prevailing NAV. Returns &lt;= 1 year: Absolute; Returns &gt; 1 year: CAGR (Compounded Annualised Growth Rate). Past performance may or may not be sustained in future.</p>																																																																																																																																																																																																							
<b>SIP Returns</b>	<table border="1" style="width: 100%; font-size: x-small;"> <thead> <tr> <th>SIP Returns</th> <th>1 Year</th> <th>3 Year</th> <th>5 Year</th> <th>7 Year</th> </tr> </thead> <tbody> <tr> <td>Investment Amt.</td> <td>Rs. 12,000</td> <td>Rs. 36,000</td> <td>Rs. 60,000</td> <td>Rs. 84,000</td> </tr> <tr> <td>Investment Value</td> <td>Rs. 12,941</td> <td>Rs. 46,655</td> <td>Rs. 83,359</td> <td>Rs. 1,55,053</td> </tr> <tr> <td>XIRR</td> <td>14.85%</td> <td>17.59%</td> <td>13.11%</td> <td>17.20%</td> </tr> </tbody> </table> <p>Past performance may or may not be sustained in future.</p>	SIP Returns	1 Year	3 Year	5 Year	7 Year	Investment Amt.	Rs. 12,000	Rs. 36,000	Rs. 60,000	Rs. 84,000	Investment Value	Rs. 12,941	Rs. 46,655	Rs. 83,359	Rs. 1,55,053	XIRR	14.85%	17.59%	13.11%	17.20%																																																																																																																																																																																				
SIP Returns	1 Year	3 Year	5 Year	7 Year																																																																																																																																																																																																					
Investment Amt.	Rs. 12,000	Rs. 36,000	Rs. 60,000	Rs. 84,000																																																																																																																																																																																																					
Investment Value	Rs. 12,941	Rs. 46,655	Rs. 83,359	Rs. 1,55,053																																																																																																																																																																																																					
XIRR	14.85%	17.59%	13.11%	17.20%																																																																																																																																																																																																					
<b>Portfolio</b>	<table border="1" style="width: 100%; font-size: x-small;"> <thead> <tr> <th>Issuer/ Instrument</th> <th>Industry/ Rating</th> <th>% to Net Assets</th> </tr> </thead> <tbody> <tr> <td colspan="3"><b>Equity &amp; Equity related (Listed/Awaiting listing on Stock Exchange)</b></td> </tr> <tr> <td>Tata Consultancy Services Ltd.</td> <td>Software</td> <td>3.46%</td> </tr> <tr> <td>IndusInd Bank Ltd.</td> <td>Banks</td> <td>2.75%</td> </tr> <tr> <td>ICICI Bank Ltd.</td> <td>Banks</td> <td>2.74%</td> </tr> <tr> <td>Grasim Industries Ltd.</td> <td>Cement</td> <td>2.51%</td> </tr> <tr> <td>ITC Ltd.</td> <td>Consumer Non Durables</td> <td>2.42%</td> </tr> <tr> <td>State Bank Of India</td> <td>Banks</td> <td>2.32%</td> </tr> <tr> <td>GlaxoSmithkline Consumer Healthcare Ltd.</td> <td>Consumer Non Durables</td> <td>2.31%</td> </tr> <tr> <td>Infosys Technologies Ltd.</td> <td>Software</td> <td>1.96%</td> </tr> <tr> <td>Oracle Financial Services Software Ltd.</td> <td>Software</td> <td>1.93%</td> </tr> <tr> <td>Mahindra &amp; Mahindra Ltd.</td> <td>Auto</td> <td>1.92%</td> </tr> <tr> <td>Others</td> <td></td> <td>44.49%</td> </tr> <tr> <td><b>Listed/Awaiting Listing on Stock Exchange - Total</b></td> <td></td> <td><b>68.81%</b></td> </tr> <tr> <td colspan="3"><b>Debt Instruments</b></td> </tr> <tr> <td colspan="3"><b>Debentures and Bonds</b></td> </tr> <tr> <td colspan="3"><b>Corporate Debt/Financial Institutions</b></td> </tr> <tr> <td>Shriram Transport Finance Co Ltd.</td> <td>AA(ind)</td> <td>10.05%</td> </tr> <tr> <td><b>Corporate Debt/Financial Institutions - Total</b></td> <td></td> <td><b>10.05%</b></td> </tr> <tr> <td colspan="3"><b>Money Market Instruments</b></td> </tr> <tr> <td colspan="3"><b>Commercial Paper(CP)/Certificate of Deposits(CD)</b></td> </tr> <tr> <td colspan="3"><b>Corporate Debt/Financial Institutions</b></td> </tr> <tr> <td>Usha Martin Ltd.</td> <td>PR1+</td> <td>3.24%</td> </tr> <tr> <td>Tata Teleservices Limited</td> <td>PR1+</td> <td>1.59%</td> </tr> <tr> <td>Sundaram Finance Ltd.</td> <td>A1+</td> <td>1.58%</td> </tr> <tr> <td><b>Corporate Debt/Financial Institutions - Total</b></td> <td></td> <td><b>6.41%</b></td> </tr> <tr> <td><b>Reverse Repo</b></td> <td></td> <td><b>6.56%</b></td> </tr> <tr> <td colspan="3"><b>TERM DEPOSITS</b></td> </tr> <tr> <td>Kotak Mahindra Bank Ltd.</td> <td></td> <td>4.90%</td> </tr> <tr> <td><b>Term Deposits - Total</b></td> <td></td> <td><b>4.90%</b></td> </tr> <tr> <td><b>Net Current Assets/(Liabilities)</b></td> <td></td> <td><b>3.27%</b></td> </tr> <tr> <td><b>Grand Total</b></td> <td></td> <td><b>100%</b></td> </tr> <tr> <td colspan="3"><b>Notes:</b> Total NPA's provided for and percentage to NAV: Nil Total value and percentage to Net Asset of Illiquid Equity Shares: Nil</td> </tr> </tbody> </table>	Issuer/ Instrument	Industry/ Rating	% to Net Assets	<b>Equity &amp; Equity related (Listed/Awaiting listing on Stock Exchange)</b>			Tata Consultancy Services Ltd.	Software	3.46%	IndusInd Bank Ltd.	Banks	2.75%	ICICI Bank Ltd.	Banks	2.74%	Grasim Industries Ltd.	Cement	2.51%	ITC Ltd.	Consumer Non Durables	2.42%	State Bank Of India	Banks	2.32%	GlaxoSmithkline Consumer Healthcare Ltd.	Consumer Non Durables	2.31%	Infosys Technologies Ltd.	Software	1.96%	Oracle Financial Services Software Ltd.	Software	1.93%	Mahindra & Mahindra Ltd.	Auto	1.92%	Others		44.49%	<b>Listed/Awaiting Listing on Stock Exchange - Total</b>		<b>68.81%</b>	<b>Debt Instruments</b>			<b>Debentures and Bonds</b>			<b>Corporate Debt/Financial Institutions</b>			Shriram Transport Finance Co Ltd.	AA(ind)	10.05%	<b>Corporate Debt/Financial Institutions - Total</b>		<b>10.05%</b>	<b>Money Market Instruments</b>			<b>Commercial Paper(CP)/Certificate of Deposits(CD)</b>			<b>Corporate Debt/Financial Institutions</b>			Usha Martin Ltd.	PR1+	3.24%	Tata Teleservices Limited	PR1+	1.59%	Sundaram Finance Ltd.	A1+	1.58%	<b>Corporate Debt/Financial Institutions - Total</b>		<b>6.41%</b>	<b>Reverse Repo</b>		<b>6.56%</b>	<b>TERM DEPOSITS</b>			Kotak Mahindra Bank Ltd.		4.90%	<b>Term Deposits - Total</b>		<b>4.90%</b>	<b>Net Current Assets/(Liabilities)</b>		<b>3.27%</b>	<b>Grand Total</b>		<b>100%</b>	<b>Notes:</b> Total NPA's provided for and percentage to NAV: Nil Total value and percentage to Net Asset of Illiquid Equity Shares: Nil			<table border="1" style="width: 100%; font-size: x-small;"> <thead> <tr> <th>Issuer/ Instrument</th> <th>Industry/ Rating</th> <th>% to Net Assets</th> </tr> </thead> <tbody> <tr> <td colspan="3"><b>Equity &amp; Equity related (Listed/Awaiting listing on Stock Exchange)</b></td> </tr> <tr> <td>HDFC Bank Ltd.</td> <td>Banks</td> <td>5.87%</td> </tr> <tr> <td>ITC Ltd.</td> <td>Consumer Non Durables</td> <td>5.35%</td> </tr> <tr> <td>ICICI Bank Ltd.</td> <td>Banks</td> <td>5.15%</td> </tr> <tr> <td>Mahindra &amp; Mahindra Ltd.</td> <td>Auto</td> <td>3.80%</td> </tr> <tr> <td>HDFC Ltd.</td> <td>Finance</td> <td>3.47%</td> </tr> <tr> <td>State Bank Of India</td> <td>Banks</td> <td>3.45%</td> </tr> <tr> <td>Asian Paints Ltd.</td> <td>Consumer Non Durables</td> <td>2.94%</td> </tr> <tr> <td>Cipla Ltd.</td> <td>Pharmaceuticals</td> <td>2.83%</td> </tr> <tr> <td>TVS Motors Company Ltd.</td> <td>Auto</td> <td>2.71%</td> </tr> <tr> <td>Tata Motors Ltd.</td> <td>Auto</td> <td>2.67%</td> </tr> <tr> <td>Others</td> <td></td> <td>47.36%</td> </tr> <tr> <td><b>Listed/Awaiting Listing on Stock Exchange - Total</b></td> <td></td> <td><b>85.60%</b></td> </tr> <tr> <td colspan="3"><b>Othre than Hedging Positions through Futures as on 31st Dec, 2010</b></td> </tr> <tr> <td><b>Underlying</b></td> <td><b>Long/ Short</b></td> <td><b>Futures Price When purchased</b></td> <td><b>Current Price of the Contract</b></td> <td><b>%age to NA</b></td> </tr> <tr> <td>Union Bank Of India</td> <td>Long</td> <td>340.324</td> <td>343.75</td> <td>0.88</td> </tr> <tr> <td colspan="5">Total %age of existing assets hedged through futures: 0.88</td> </tr> <tr> <td><b>Issuer/ Instrument</b></td> <td><b>Industry/ Rating</b></td> <td colspan="3"><b>% to Net Assets</b></td> </tr> <tr> <td><b>Reverse Repo</b></td> <td></td> <td colspan="3"><b>5.08%</b></td> </tr> <tr> <td colspan="5"><b>TERM DEPOSITS</b></td> </tr> <tr> <td>Kotak Mahindra Bank Ltd.</td> <td></td> <td colspan="3">2.04%</td> </tr> <tr> <td><b>Term Deposits - Total</b></td> <td></td> <td colspan="3"><b>2.04%</b></td> </tr> <tr> <td><b>Net Current Assets/(Liabilities)</b></td> <td></td> <td colspan="3"><b>6.40%</b></td> </tr> <tr> <td><b>Grand Total</b></td> <td></td> <td colspan="3"><b>100%</b></td> </tr> <tr> <td colspan="5"><b>Notes:</b> Term Deposit as provided above is towards margin for derivatives transactions For the period ended 31st Dec '10 other than Hedging transactions through futures which have been squared off/expired are as follows: Total Quantity of futures sold were 89,000. Gross Notional value of futures sold were Rs. 167.02 lacs and Total Net profit/(loss) value were (Rs. 15.34) lacs Total NPA's provided for and percentage to NAV: Nil Total value and percentage to Net Asset of Illiquid Equity Shares: Nil</td> </tr> </tbody> </table>	Issuer/ Instrument	Industry/ Rating	% to Net Assets	<b>Equity &amp; Equity related (Listed/Awaiting listing on Stock Exchange)</b>			HDFC Bank Ltd.	Banks	5.87%	ITC Ltd.	Consumer Non Durables	5.35%	ICICI Bank Ltd.	Banks	5.15%	Mahindra & Mahindra Ltd.	Auto	3.80%	HDFC Ltd.	Finance	3.47%	State Bank Of India	Banks	3.45%	Asian Paints Ltd.	Consumer Non Durables	2.94%	Cipla Ltd.	Pharmaceuticals	2.83%	TVS Motors Company Ltd.	Auto	2.71%	Tata Motors Ltd.	Auto	2.67%	Others		47.36%	<b>Listed/Awaiting Listing on Stock Exchange - Total</b>		<b>85.60%</b>	<b>Othre than Hedging Positions through Futures as on 31st Dec, 2010</b>			<b>Underlying</b>	<b>Long/ Short</b>	<b>Futures Price When purchased</b>	<b>Current Price of the Contract</b>	<b>%age to NA</b>	Union Bank Of India	Long	340.324	343.75	0.88	Total %age of existing assets hedged through futures: 0.88					<b>Issuer/ Instrument</b>	<b>Industry/ Rating</b>	<b>% to Net Assets</b>			<b>Reverse Repo</b>		<b>5.08%</b>			<b>TERM DEPOSITS</b>					Kotak Mahindra Bank Ltd.		2.04%			<b>Term Deposits - Total</b>		<b>2.04%</b>			<b>Net Current Assets/(Liabilities)</b>		<b>6.40%</b>			<b>Grand Total</b>		<b>100%</b>			<b>Notes:</b> Term Deposit as provided above is towards margin for derivatives transactions For the period ended 31st Dec '10 other than Hedging transactions through futures which have been squared off/expired are as follows: Total Quantity of futures sold were 89,000. Gross Notional value of futures sold were Rs. 167.02 lacs and Total Net profit/(loss) value were (Rs. 15.34) lacs Total NPA's provided for and percentage to NAV: Nil Total value and percentage to Net Asset of Illiquid Equity Shares: Nil				
Issuer/ Instrument	Industry/ Rating	% to Net Assets																																																																																																																																																																																																							
<b>Equity &amp; Equity related (Listed/Awaiting listing on Stock Exchange)</b>																																																																																																																																																																																																									
Tata Consultancy Services Ltd.	Software	3.46%																																																																																																																																																																																																							
IndusInd Bank Ltd.	Banks	2.75%																																																																																																																																																																																																							
ICICI Bank Ltd.	Banks	2.74%																																																																																																																																																																																																							
Grasim Industries Ltd.	Cement	2.51%																																																																																																																																																																																																							
ITC Ltd.	Consumer Non Durables	2.42%																																																																																																																																																																																																							
State Bank Of India	Banks	2.32%																																																																																																																																																																																																							
GlaxoSmithkline Consumer Healthcare Ltd.	Consumer Non Durables	2.31%																																																																																																																																																																																																							
Infosys Technologies Ltd.	Software	1.96%																																																																																																																																																																																																							
Oracle Financial Services Software Ltd.	Software	1.93%																																																																																																																																																																																																							
Mahindra & Mahindra Ltd.	Auto	1.92%																																																																																																																																																																																																							
Others		44.49%																																																																																																																																																																																																							
<b>Listed/Awaiting Listing on Stock Exchange - Total</b>		<b>68.81%</b>																																																																																																																																																																																																							
<b>Debt Instruments</b>																																																																																																																																																																																																									
<b>Debentures and Bonds</b>																																																																																																																																																																																																									
<b>Corporate Debt/Financial Institutions</b>																																																																																																																																																																																																									
Shriram Transport Finance Co Ltd.	AA(ind)	10.05%																																																																																																																																																																																																							
<b>Corporate Debt/Financial Institutions - Total</b>		<b>10.05%</b>																																																																																																																																																																																																							
<b>Money Market Instruments</b>																																																																																																																																																																																																									
<b>Commercial Paper(CP)/Certificate of Deposits(CD)</b>																																																																																																																																																																																																									
<b>Corporate Debt/Financial Institutions</b>																																																																																																																																																																																																									
Usha Martin Ltd.	PR1+	3.24%																																																																																																																																																																																																							
Tata Teleservices Limited	PR1+	1.59%																																																																																																																																																																																																							
Sundaram Finance Ltd.	A1+	1.58%																																																																																																																																																																																																							
<b>Corporate Debt/Financial Institutions - Total</b>		<b>6.41%</b>																																																																																																																																																																																																							
<b>Reverse Repo</b>		<b>6.56%</b>																																																																																																																																																																																																							
<b>TERM DEPOSITS</b>																																																																																																																																																																																																									
Kotak Mahindra Bank Ltd.		4.90%																																																																																																																																																																																																							
<b>Term Deposits - Total</b>		<b>4.90%</b>																																																																																																																																																																																																							
<b>Net Current Assets/(Liabilities)</b>		<b>3.27%</b>																																																																																																																																																																																																							
<b>Grand Total</b>		<b>100%</b>																																																																																																																																																																																																							
<b>Notes:</b> Total NPA's provided for and percentage to NAV: Nil Total value and percentage to Net Asset of Illiquid Equity Shares: Nil																																																																																																																																																																																																									
Issuer/ Instrument	Industry/ Rating	% to Net Assets																																																																																																																																																																																																							
<b>Equity &amp; Equity related (Listed/Awaiting listing on Stock Exchange)</b>																																																																																																																																																																																																									
HDFC Bank Ltd.	Banks	5.87%																																																																																																																																																																																																							
ITC Ltd.	Consumer Non Durables	5.35%																																																																																																																																																																																																							
ICICI Bank Ltd.	Banks	5.15%																																																																																																																																																																																																							
Mahindra & Mahindra Ltd.	Auto	3.80%																																																																																																																																																																																																							
HDFC Ltd.	Finance	3.47%																																																																																																																																																																																																							
State Bank Of India	Banks	3.45%																																																																																																																																																																																																							
Asian Paints Ltd.	Consumer Non Durables	2.94%																																																																																																																																																																																																							
Cipla Ltd.	Pharmaceuticals	2.83%																																																																																																																																																																																																							
TVS Motors Company Ltd.	Auto	2.71%																																																																																																																																																																																																							
Tata Motors Ltd.	Auto	2.67%																																																																																																																																																																																																							
Others		47.36%																																																																																																																																																																																																							
<b>Listed/Awaiting Listing on Stock Exchange - Total</b>		<b>85.60%</b>																																																																																																																																																																																																							
<b>Othre than Hedging Positions through Futures as on 31st Dec, 2010</b>																																																																																																																																																																																																									
<b>Underlying</b>	<b>Long/ Short</b>	<b>Futures Price When purchased</b>	<b>Current Price of the Contract</b>	<b>%age to NA</b>																																																																																																																																																																																																					
Union Bank Of India	Long	340.324	343.75	0.88																																																																																																																																																																																																					
Total %age of existing assets hedged through futures: 0.88																																																																																																																																																																																																									
<b>Issuer/ Instrument</b>	<b>Industry/ Rating</b>	<b>% to Net Assets</b>																																																																																																																																																																																																							
<b>Reverse Repo</b>		<b>5.08%</b>																																																																																																																																																																																																							
<b>TERM DEPOSITS</b>																																																																																																																																																																																																									
Kotak Mahindra Bank Ltd.		2.04%																																																																																																																																																																																																							
<b>Term Deposits - Total</b>		<b>2.04%</b>																																																																																																																																																																																																							
<b>Net Current Assets/(Liabilities)</b>		<b>6.40%</b>																																																																																																																																																																																																							
<b>Grand Total</b>		<b>100%</b>																																																																																																																																																																																																							
<b>Notes:</b> Term Deposit as provided above is towards margin for derivatives transactions For the period ended 31st Dec '10 other than Hedging transactions through futures which have been squared off/expired are as follows: Total Quantity of futures sold were 89,000. Gross Notional value of futures sold were Rs. 167.02 lacs and Total Net profit/(loss) value were (Rs. 15.34) lacs Total NPA's provided for and percentage to NAV: Nil Total value and percentage to Net Asset of Illiquid Equity Shares: Nil																																																																																																																																																																																																									
<b>Sector Allocation</b>	<table border="1" style="width: 100%; font-size: x-small;"> <tbody> <tr><td>Banks</td><td>13.1%</td></tr> <tr><td>CBLO &amp; Term Deposits &amp; Rev.Repo</td><td>11.46%</td></tr> <tr><td>Debentures and Bonds</td><td>10.05%</td></tr> <tr><td>Software</td><td>8.85%</td></tr> <tr><td>Commercial Paper (CP)/Certificate of Deposits (CD)</td><td>6.41%</td></tr> <tr><td>Consumer Non Durables</td><td>6.17%</td></tr> <tr><td>Pharmaceuticals</td><td>5.2%</td></tr> <tr><td>Petroleum Products</td><td>4%</td></tr> <tr><td>Auto</td><td>3.4%</td></tr> <tr><td>Fertilisers</td><td>3.11%</td></tr> <tr><td>Others</td><td>28.25%</td></tr> </tbody> </table>	Banks	13.1%	CBLO & Term Deposits & Rev.Repo	11.46%	Debentures and Bonds	10.05%	Software	8.85%	Commercial Paper (CP)/Certificate of Deposits (CD)	6.41%	Consumer Non Durables	6.17%	Pharmaceuticals	5.2%	Petroleum Products	4%	Auto	3.4%	Fertilisers	3.11%	Others	28.25%	<table border="1" style="width: 100%; font-size: x-small;"> <tbody> <tr><td>Banks</td><td>28.6%</td></tr> <tr><td>Consumer Non Durables</td><td>14.82%</td></tr> <tr><td>Auto</td><td>12.47%</td></tr> <tr><td>Media and Entertainment</td><td>8.58%</td></tr> <tr><td>CBLO &amp; Term Deposits &amp; Rev.Repo</td><td>7.12%</td></tr> <tr><td>Pharmaceuticals</td><td>7.06%</td></tr> <tr><td>Finance</td><td>6.31%</td></tr> <tr><td>Construction</td><td>3.19%</td></tr> <tr><td>Auto Ancillaries</td><td>1.47%</td></tr> <tr><td>Transportation</td><td>1.4%</td></tr> <tr><td>Others</td><td>8.98%</td></tr> </tbody> </table>	Banks	28.6%	Consumer Non Durables	14.82%	Auto	12.47%	Media and Entertainment	8.58%	CBLO & Term Deposits & Rev.Repo	7.12%	Pharmaceuticals	7.06%	Finance	6.31%	Construction	3.19%	Auto Ancillaries	1.47%	Transportation	1.4%	Others	8.98%																																																																																																																																																											
Banks	13.1%																																																																																																																																																																																																								
CBLO & Term Deposits & Rev.Repo	11.46%																																																																																																																																																																																																								
Debentures and Bonds	10.05%																																																																																																																																																																																																								
Software	8.85%																																																																																																																																																																																																								
Commercial Paper (CP)/Certificate of Deposits (CD)	6.41%																																																																																																																																																																																																								
Consumer Non Durables	6.17%																																																																																																																																																																																																								
Pharmaceuticals	5.2%																																																																																																																																																																																																								
Petroleum Products	4%																																																																																																																																																																																																								
Auto	3.4%																																																																																																																																																																																																								
Fertilisers	3.11%																																																																																																																																																																																																								
Others	28.25%																																																																																																																																																																																																								
Banks	28.6%																																																																																																																																																																																																								
Consumer Non Durables	14.82%																																																																																																																																																																																																								
Auto	12.47%																																																																																																																																																																																																								
Media and Entertainment	8.58%																																																																																																																																																																																																								
CBLO & Term Deposits & Rev.Repo	7.12%																																																																																																																																																																																																								
Pharmaceuticals	7.06%																																																																																																																																																																																																								
Finance	6.31%																																																																																																																																																																																																								
Construction	3.19%																																																																																																																																																																																																								
Auto Ancillaries	1.47%																																																																																																																																																																																																								
Transportation	1.4%																																																																																																																																																																																																								
Others	8.98%																																																																																																																																																																																																								

# EQUITY FUNDS

(As on December 31, 2010)

Scheme Name	<b>KOTAK SELECT FOCUS</b> <i>An Open - Ended Equity Scheme</i>	<b>KOTAK EQUITY FOF</b> <i>An Open - Ended Equity Fund of Funds Scheme</i>																																																																																				
<b>Investment Objective</b>	The investment objective of the scheme is to generate long-term capital appreciation from a portfolio of equity and equity related securities, generally focused on a few selected sectors.	The Investment Objective of the Scheme is to generate long term capital appreciation from a portfolio created by investing predominantly in open-ended diversified equity schemes of Mutual Funds registered with SEBI.																																																																																				
<b>Available Options</b>	Dividend Payout, Dividend Reinvestment & Growth	Dividend Payout, Dividend Reinvestment & Growth																																																																																				
<b>Dividend Freq.</b>	Trustee's Discretion	Trustee's Discretion																																																																																				
<b>Fund Managers</b>	Mr. Krishna Sanghvi, Mr. Emmanuel Elango & Mr. Abhishek Bisen	Mr. Sajit Pisharodi & Mr. Deepak Gupta																																																																																				
<b>Load Structure</b>	<b>Entry Load</b>	Nil.																																																																																				
	<b>Exit Load</b>	i) For redemptions / switch outs (including SIP/STP) within 1 year from the date of allotment of units, irrespective of the amount of investment: 1% ii) For redemptions / switch outs (including SIP/STP) after 1 year from the date of allotment of units, irrespective of the amount of investment: NIL																																																																																				
<b>Minimum Investment Amount</b>	<b>Initial Investment:</b> Rs. 5000 and in multiple of Re. 1 for purchase and for Re 0.01 for switches <b>Additional Investment:</b> Rs. 1000 and in multiple of Re. 1 <b>Ideal Investments Horizon -</b> 1-3 years	<b>Initial Investment:</b> Rs. 5000 <b>Additional Investment:</b> Rs. 1000 & in multiples of Re. 1. <b>Ideal Investments Horizon -</b> 1-3 years																																																																																				
<b>Corpus &amp; Ratios</b>	<b>Corpus:</b> Rs. 122.20 crores. <b>Portfolio Turnover:</b> 253.70%	<b>Corpus:</b> Rs. 49.99 crores. <b>Ratios:</b> Portfolio Turnover: 0.00%. Beta*: 0.94 Sharpe*: 0.05 Alpha*: 0.26 Standard Deviation*: 32.36 *Source: Value Research																																																																																				
<b>Benchmark</b>	S & P CNX Nifty	S & P CNX Nifty																																																																																				
<b>Inception Date</b>	September 11, 2009	August 9, 2004																																																																																				
<b>Performance as on December 31, 2010</b>	 <p>Kotak Select Focus NAV :Rs. 12.772 (Growth Option), Rs. 11.53 (Dividend Option) *All payouts during the period have been reinvested in the units of the scheme at the then prevailing NAV. Returns &lt;= 1 Year: Absolute; Returns &gt; 1 year: CAGR (Compounded Annualised Growth Rate). Past performance may or may not be sustained in future.</p>	 <p>Kotak Equity FOF NAV : Rs. 40.195 (Growth Option), Rs. 39.127 (Dividend Option) *All payouts during the period have been reinvested in the units of the scheme at the then prevailing NAV. Returns &lt;= 1 year: Absolute; Returns &gt; 1 year: CAGR (Compounded Annualised Growth Rate). Past performance may or may not be sustained in future.</p>																																																																																				
<b>Portfolio</b>	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Issuer/ Instrument</th> <th>Industry/ Rating</th> <th>% to Net Assets</th> </tr> </thead> <tbody> <tr> <td colspan="3"><b>Equity &amp; Equity related (Listed/Awaiting listing on Stock Exchange)</b></td> </tr> <tr> <td>Infosys Technologies Ltd.</td> <td>Software</td> <td>5.92%</td> </tr> <tr> <td>ICICI Bank Ltd.</td> <td>Banks</td> <td>4.97%</td> </tr> <tr> <td>Tata Consultancy Services Ltd.</td> <td>Software</td> <td>3.82%</td> </tr> <tr> <td>Reliance Industries Ltd.</td> <td>Petroleum Products</td> <td>3.77%</td> </tr> <tr> <td>State Bank Of India</td> <td>Banks</td> <td>2.88%</td> </tr> <tr> <td>GlaxoSmithkline Consumer Healthcare Ltd.</td> <td>Consumer Non Durables</td> <td>2.30%</td> </tr> <tr> <td>EID Parry (India) Ltd.</td> <td>Consumer Non Durables</td> <td>2.27%</td> </tr> <tr> <td>Tata Steel Limited.</td> <td>Ferrous Metals</td> <td>2.23%</td> </tr> <tr> <td>Oil &amp; Natural Gas Corporation Ltd.</td> <td>Oil</td> <td>2.11%</td> </tr> <tr> <td>Bharat Petroleum Corporation Ltd.</td> <td>Petroleum Products</td> <td>2.02%</td> </tr> <tr> <td>Others</td> <td></td> <td>64.38%</td> </tr> <tr> <td><b>Listed/Awaiting Listing on Stock Exchange - Total</b></td> <td></td> <td><b>96.67%</b></td> </tr> <tr> <td><b>Reverse Repo</b></td> <td></td> <td><b>4.90%</b></td> </tr> <tr> <td><b>Net Current Assets/(Liabilities)</b></td> <td></td> <td><b>-1.57%</b></td> </tr> <tr> <td><b>Grand Total</b></td> <td></td> <td><b>100%</b></td> </tr> </tbody> </table> <p><b>Notes:</b> Total NPA's provided for and percentage to NAV: Nil Total value and percentage to Net Asset of Illiquid Equity Shares: Nil</p>	Issuer/ Instrument	Industry/ Rating	% to Net Assets	<b>Equity &amp; Equity related (Listed/Awaiting listing on Stock Exchange)</b>			Infosys Technologies Ltd.	Software	5.92%	ICICI Bank Ltd.	Banks	4.97%	Tata Consultancy Services Ltd.	Software	3.82%	Reliance Industries Ltd.	Petroleum Products	3.77%	State Bank Of India	Banks	2.88%	GlaxoSmithkline Consumer Healthcare Ltd.	Consumer Non Durables	2.30%	EID Parry (India) Ltd.	Consumer Non Durables	2.27%	Tata Steel Limited.	Ferrous Metals	2.23%	Oil & Natural Gas Corporation Ltd.	Oil	2.11%	Bharat Petroleum Corporation Ltd.	Petroleum Products	2.02%	Others		64.38%	<b>Listed/Awaiting Listing on Stock Exchange - Total</b>		<b>96.67%</b>	<b>Reverse Repo</b>		<b>4.90%</b>	<b>Net Current Assets/(Liabilities)</b>		<b>-1.57%</b>	<b>Grand Total</b>		<b>100%</b>	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Issuer/ Instrument</th> <th>Industry/ Rating</th> <th>% to Net Assets</th> </tr> </thead> <tbody> <tr> <td colspan="3"><b>Equity &amp; Equity related (Listed/Awaiting listing on Stock Exchange)</b></td> </tr> <tr> <td colspan="3"><b>Mutual Fund Units</b></td> </tr> <tr> <td>Kotak Opportunities</td> <td>Equity Schemes</td> <td>22.40%</td> </tr> <tr> <td>HDFC Top 200 Fund</td> <td>Equity Schemes</td> <td>20.66%</td> </tr> <tr> <td>Birla Sunlife Frontline Equity</td> <td>Equity Schemes</td> <td>19.41%</td> </tr> <tr> <td>Reliance Regular Saving Fund</td> <td>Equity Schemes</td> <td>19.05%</td> </tr> <tr> <td>Tata Equity Opportunities Fund</td> <td>Equity Schemes</td> <td>17.48%</td> </tr> <tr> <td><b>Mutual Fund Units - Total</b></td> <td></td> <td><b>99%</b></td> </tr> <tr> <td><b>Net Current Assets/(Liabilities)</b></td> <td></td> <td><b>1%</b></td> </tr> <tr> <td><b>Grand Total</b></td> <td></td> <td><b>100%</b></td> </tr> </tbody> </table> <p><b>Notes:</b> Total NPA's provided for and percentage to NAV: Nil Total value and percentage to Net Asset of Illiquid Equity Shares: Nil</p>	Issuer/ Instrument	Industry/ Rating	% to Net Assets	<b>Equity &amp; Equity related (Listed/Awaiting listing on Stock Exchange)</b>			<b>Mutual Fund Units</b>			Kotak Opportunities	Equity Schemes	22.40%	HDFC Top 200 Fund	Equity Schemes	20.66%	Birla Sunlife Frontline Equity	Equity Schemes	19.41%	Reliance Regular Saving Fund	Equity Schemes	19.05%	Tata Equity Opportunities Fund	Equity Schemes	17.48%	<b>Mutual Fund Units - Total</b>		<b>99%</b>	<b>Net Current Assets/(Liabilities)</b>		<b>1%</b>	<b>Grand Total</b>		<b>100%</b>
Issuer/ Instrument	Industry/ Rating	% to Net Assets																																																																																				
<b>Equity &amp; Equity related (Listed/Awaiting listing on Stock Exchange)</b>																																																																																						
Infosys Technologies Ltd.	Software	5.92%																																																																																				
ICICI Bank Ltd.	Banks	4.97%																																																																																				
Tata Consultancy Services Ltd.	Software	3.82%																																																																																				
Reliance Industries Ltd.	Petroleum Products	3.77%																																																																																				
State Bank Of India	Banks	2.88%																																																																																				
GlaxoSmithkline Consumer Healthcare Ltd.	Consumer Non Durables	2.30%																																																																																				
EID Parry (India) Ltd.	Consumer Non Durables	2.27%																																																																																				
Tata Steel Limited.	Ferrous Metals	2.23%																																																																																				
Oil & Natural Gas Corporation Ltd.	Oil	2.11%																																																																																				
Bharat Petroleum Corporation Ltd.	Petroleum Products	2.02%																																																																																				
Others		64.38%																																																																																				
<b>Listed/Awaiting Listing on Stock Exchange - Total</b>		<b>96.67%</b>																																																																																				
<b>Reverse Repo</b>		<b>4.90%</b>																																																																																				
<b>Net Current Assets/(Liabilities)</b>		<b>-1.57%</b>																																																																																				
<b>Grand Total</b>		<b>100%</b>																																																																																				
Issuer/ Instrument	Industry/ Rating	% to Net Assets																																																																																				
<b>Equity &amp; Equity related (Listed/Awaiting listing on Stock Exchange)</b>																																																																																						
<b>Mutual Fund Units</b>																																																																																						
Kotak Opportunities	Equity Schemes	22.40%																																																																																				
HDFC Top 200 Fund	Equity Schemes	20.66%																																																																																				
Birla Sunlife Frontline Equity	Equity Schemes	19.41%																																																																																				
Reliance Regular Saving Fund	Equity Schemes	19.05%																																																																																				
Tata Equity Opportunities Fund	Equity Schemes	17.48%																																																																																				
<b>Mutual Fund Units - Total</b>		<b>99%</b>																																																																																				
<b>Net Current Assets/(Liabilities)</b>		<b>1%</b>																																																																																				
<b>Grand Total</b>		<b>100%</b>																																																																																				
<b>Sector Allocation</b>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tbody> <tr><td>Banks</td><td>19.74%</td></tr> <tr><td>Software</td><td>14.42%</td></tr> <tr><td>Pharmaceuticals</td><td>10.66%</td></tr> <tr><td>Consumer Non Durables</td><td>8.51%</td></tr> <tr><td>Petroleum Products</td><td>7.41%</td></tr> <tr><td>Industrial Capital Goods</td><td>6.03%</td></tr> <tr><td>Finance</td><td>5.43%</td></tr> <tr><td>CBLO &amp; Term Deposits &amp; Rev.Repo</td><td>4.9%</td></tr> <tr><td>Oil</td><td>3.9%</td></tr> <tr><td>Non - Ferrous Metals</td><td>3.5%</td></tr> <tr><td>Others</td><td>15.5%</td></tr> </tbody> </table>	Banks	19.74%	Software	14.42%	Pharmaceuticals	10.66%	Consumer Non Durables	8.51%	Petroleum Products	7.41%	Industrial Capital Goods	6.03%	Finance	5.43%	CBLO & Term Deposits & Rev.Repo	4.9%	Oil	3.9%	Non - Ferrous Metals	3.5%	Others	15.5%	<table border="1" style="width: 100%; border-collapse: collapse;"> <tbody> <tr><td>Equity Schemes</td><td>99%</td></tr> <tr><td>Others</td><td>1%</td></tr> </tbody> </table> <p><b>Risk Factor:</b> Investors shall bear the recurring expenses of the scheme, in addition to the expenses of other schemes in which the Fund of Funds Scheme makes investments.</p>	Equity Schemes	99%	Others	1%																																																										
Banks	19.74%																																																																																					
Software	14.42%																																																																																					
Pharmaceuticals	10.66%																																																																																					
Consumer Non Durables	8.51%																																																																																					
Petroleum Products	7.41%																																																																																					
Industrial Capital Goods	6.03%																																																																																					
Finance	5.43%																																																																																					
CBLO & Term Deposits & Rev.Repo	4.9%																																																																																					
Oil	3.9%																																																																																					
Non - Ferrous Metals	3.5%																																																																																					
Others	15.5%																																																																																					
Equity Schemes	99%																																																																																					
Others	1%																																																																																					

# EQUITY FUNDS

(As on December 31, 2010)

Scheme Name	KOTAK GLOBAL EMERGING MARKET FUND		KOTAK EMERGING EQUITY																																																																																																																																		
	An Open-Ended Equity Scheme		An Open-Ended Equity Growth Scheme																																																																																																																																		
<b>Investment Objective</b>	The investment objective of the scheme is to generate long-term capital appreciation by investing in an overseas mutual fund scheme that invests in a diversified portfolio of securities as prescribed by SEBI from time to time in global emerging markets.		The investment objective of the scheme is to generate long-term capital appreciation from a portfolio of equity and equity related securities, by investing predominantly in mid and small cap companies.																																																																																																																																		
<b>Available Options</b>	Dividend Payout, Dividend Reinvestment & Growth		Dividend Payout, Dividend Reinvestment & Growth																																																																																																																																		
<b>Dividend Freq.</b>	Trustee's Discretion		Trustee's Discretion																																																																																																																																		
<b>Fund Managers</b>	Mr. Abhijeet Dey & Mr. Abhishek Bisen.		Mr. Emmanuel Elango & Mr. Pankaj Tibrewal.																																																																																																																																		
<b>Load Structure</b>	<b>Entry Load</b>	Nil.																																																																																																																																			
	<b>Exit Load</b>	i) For exit within 1 year from the date of allotment of units: 1%. ii) For exit after 1 year from the date of allotment of units: Nil		i) For exit within 1 year from the date of allotment of units: 1%. ii) For exit after 1 year from the date of allotment of units: Nil																																																																																																																																	
<b>Minimum Investment Amount</b>	<b>Initial Investment:</b> Rs. 5000 <b>Additional Investment:</b> Rs. 1000/- & in multiples of Re. 1. <b>Ideal Investments Horizon:</b> 1-3 years		<b>Initial Investment:</b> Rs. 5000 <b>Additional Investment:</b> Rs. 1000/- & in multiples of Re. 1. <b>Ideal Investments Horizon:</b> 1-3 years																																																																																																																																		
<b>Corpus &amp; Ratios</b>	<b>Corpus:</b> Rs. 121.53 crores. <b>Ratios:</b> Beta*: 0.75 Sharpe*: -0.09 Alpha*: -3.90 Standard Deviation*: 30.46 *Source: Value Research		<b>Corpus:</b> Rs. 87.10 crores. <b>Ratios:</b> Portfolio Turnover: 253.29%. Beta*: 0.99 Sharpe*: -0.21 Alpha*: -8.78 Standard Deviation*: 35.59 *Source: Value Research																																																																																																																																		
<b>Benchmark</b>	MSCI Emerging Market Index		BSE MID CAP																																																																																																																																		
<b>Inception Date</b>	September 26, 2007		March 30, 2007																																																																																																																																		
<b>Performance as on December 31, 2010</b>	<table border="1"> <caption>Performance as on December 31, 2010 - Kotak Global Emerging Market Fund</caption> <thead> <tr> <th>Period</th> <th>Kotak Global Emerging Market Fund (%)</th> <th>MSCI Emerging Market Index (%)</th> </tr> </thead> <tbody> <tr> <td>6 Months</td> <td>18.99</td> <td>25.42</td> </tr> <tr> <td>1 Year</td> <td>10.38</td> <td>16.36</td> </tr> <tr> <td>3 Years</td> <td>-3.21</td> <td>-2.59</td> </tr> <tr> <td>Since Inception</td> <td>0.54</td> <td>-0.79</td> </tr> </tbody> </table> <p>Kotak Global Emerging Market Fund NAV : Rs. 10.178 (Growth Option), Rs. 10.178 (Dividend Option) Returns &lt;= 1 year : Absolute; Returns &gt; 1 year : CAGR (Compounded Annualised Growth Rate) Past performance may or may not be sustained in future.</p>		Period	Kotak Global Emerging Market Fund (%)	MSCI Emerging Market Index (%)	6 Months	18.99	25.42	1 Year	10.38	16.36	3 Years	-3.21	-2.59	Since Inception	0.54	-0.79	<table border="1"> <caption>Performance as on December 31, 2010 - Kotak Emerging Equity Scheme</caption> <thead> <tr> <th>Period</th> <th>Kotak Emerging Equity Scheme* (%)</th> <th>BSE Midcap (%)</th> </tr> </thead> <tbody> <tr> <td>6 Months</td> <td>8.43</td> <td>9.14</td> </tr> <tr> <td>1 Year</td> <td>21.17</td> <td>16.15</td> </tr> <tr> <td>3 Years</td> <td>-9.19</td> <td>-7.28</td> </tr> <tr> <td>Since Inception</td> <td>6.67</td> <td>10.37</td> </tr> </tbody> </table> <p>Kotak Emerging Equity NAV: Rs. 12.746 (Growth Option), Rs. 12.746 (Dividend Option) *All payouts during the period have been reinvested in the units of the scheme at the then prevailing NAV. Returns &lt;= 1 year: Absolute; Returns &gt; 1 year: CAGR (Compounded Annualised Growth Rate) Past performance may or may not be sustained in future.</p>		Period	Kotak Emerging Equity Scheme* (%)	BSE Midcap (%)	6 Months	8.43	9.14	1 Year	21.17	16.15	3 Years	-9.19	-7.28	Since Inception	6.67	10.37																																																																																																			
Period	Kotak Global Emerging Market Fund (%)	MSCI Emerging Market Index (%)																																																																																																																																			
6 Months	18.99	25.42																																																																																																																																			
1 Year	10.38	16.36																																																																																																																																			
3 Years	-3.21	-2.59																																																																																																																																			
Since Inception	0.54	-0.79																																																																																																																																			
Period	Kotak Emerging Equity Scheme* (%)	BSE Midcap (%)																																																																																																																																			
6 Months	8.43	9.14																																																																																																																																			
1 Year	21.17	16.15																																																																																																																																			
3 Years	-9.19	-7.28																																																																																																																																			
Since Inception	6.67	10.37																																																																																																																																			
<b>Portfolio</b>	<table border="1"> <thead> <tr> <th>Issuer/ Instrument</th> <th>Industry/ Rating</th> <th>% to Net Assets</th> </tr> </thead> <tbody> <tr> <td colspan="3"><b>Equity &amp; Equity related (Listed/Awaiting listing on Stock Exchange)</b></td> </tr> <tr> <td colspan="3"><b>Mutual Fund Units</b></td> </tr> <tr> <td>T Rowe Global Emerging Markets Equity Class A USD**</td> <td>Mutual Fund Units</td> <td>94.89%</td> </tr> <tr> <td><b>Mutual Fund Units - Total</b></td> <td></td> <td><b>94.89%</b></td> </tr> <tr> <td><b>Reverse Repo</b></td> <td></td> <td><b>4.10%</b></td> </tr> <tr> <td><b>Net Current Assets/(Liabilities)</b></td> <td></td> <td><b>1.01%</b></td> </tr> <tr> <td><b>Grand Total</b></td> <td></td> <td><b>100%</b></td> </tr> </tbody> </table> <p><b>Notes:</b> Total NPA's provided for and percentage to NAV: Nil Total value and percentage to Net Asset of Illiquid Equity Shares: Nil</p>		Issuer/ Instrument	Industry/ Rating	% to Net Assets	<b>Equity &amp; Equity related (Listed/Awaiting listing on Stock Exchange)</b>			<b>Mutual Fund Units</b>			T Rowe Global Emerging Markets Equity Class A USD**	Mutual Fund Units	94.89%	<b>Mutual Fund Units - Total</b>		<b>94.89%</b>	<b>Reverse Repo</b>		<b>4.10%</b>	<b>Net Current Assets/(Liabilities)</b>		<b>1.01%</b>	<b>Grand Total</b>		<b>100%</b>	<table border="1"> <thead> <tr> <th>Issuer/ Instrument</th> <th>Industry/ Rating</th> <th>% to Net Assets</th> </tr> </thead> <tbody> <tr> <td colspan="3"><b>Equity &amp; Equity related (Listed/Awaiting listing on Stock Exchange)</b></td> </tr> <tr> <td>Birla Corporation Ltd.</td> <td>Cement</td> <td>3.32%</td> </tr> <tr> <td>Lupin Ltd.</td> <td>Pharmaceuticals</td> <td>3.32%</td> </tr> <tr> <td>BGR Energy Systems Ltd.</td> <td>Industrial Capital Goods</td> <td>2.50%</td> </tr> <tr> <td>Aurobindo Pharma Ltd.</td> <td>Pharmaceuticals</td> <td>2.26%</td> </tr> <tr> <td>PTC India Ltd.</td> <td>Power</td> <td>2.20%</td> </tr> <tr> <td>TVS Motors Company Ltd.</td> <td>Auto</td> <td>2.19%</td> </tr> <tr> <td>Ipca Laboratories Ltd.</td> <td>Pharmaceuticals</td> <td>2.18%</td> </tr> <tr> <td>Madras Cements Ltd.</td> <td>Cement</td> <td>2.18%</td> </tr> <tr> <td>GlaxoSmithkline Consumer Healthcare Ltd.</td> <td>Consumer Non Durables</td> <td>2.15%</td> </tr> <tr> <td>India Cements Ltd.</td> <td>Cement</td> <td>2.11%</td> </tr> <tr> <td>Others</td> <td></td> <td>65.06%</td> </tr> <tr> <td><b>Listed/Awaiting Listing on Stock Exchange - Total</b></td> <td></td> <td><b>89.47%</b></td> </tr> <tr> <td colspan="3"><b>Other than Hedging Positions through Futures as on 31st Dec, 2010</b></td> </tr> <tr> <td><b>Underlying</b></td> <td><b>Long/Short</b></td> <td><b>Futures Price When purchased</b></td> <td><b>Current Price of the Contract</b></td> <td><b>% Age To NA</b></td> </tr> <tr> <td>Hindustan Zinc Ltd.</td> <td>Long</td> <td>1355.1484</td> <td>1375.35</td> <td>1.26</td> </tr> <tr> <td>Tata Steel Limited.</td> <td>Long</td> <td>677.2</td> <td>683.6</td> <td>0.63</td> </tr> <tr> <td>Hindalco Industries Ltd</td> <td>Long</td> <td>244.6</td> <td>247.6</td> <td>0.63</td> </tr> <tr> <td colspan="4">Total %age of existing assets hedged through futures</td> <td>2.52</td> </tr> <tr> <td colspan="3"><b>Issuer/ Instrument</b></td> <td><b>Industry/ Rating</b></td> <td><b>% to Net Assets</b></td> </tr> <tr> <td colspan="3"><b>Reverse Repo</b></td> <td></td> <td><b>2.28%</b></td> </tr> <tr> <td colspan="3"><b>TERM DEPOSITS</b></td> <td></td> <td></td> </tr> <tr> <td colspan="3">Kotak Mahindra Bank Ltd.</td> <td></td> <td>2.30%</td> </tr> <tr> <td colspan="3"><b>Term Deposits - Total</b></td> <td></td> <td><b>2.30%</b></td> </tr> <tr> <td colspan="3"><b>Net Current Assets/(Liabilities)</b></td> <td></td> <td><b>3.43%</b></td> </tr> <tr> <td colspan="3"><b>Grand Total</b></td> <td></td> <td><b>100%</b></td> </tr> </tbody> </table> <p><b>Notes:</b> Term Deposit as provided above is towards margin for derivatives transactions For the period ended 31st Dec'10 other than Hedging transactions through futures which have been squared off/expired are as follows; Total Quantity of futures sold were 38,000. Gross Notional value of futures sold were Rs. 214.70 lacs and Total Net profit/(loss) value were Rs. 27.06 lacs Total NPA's provided for and percentage to NAV: Nil Total value and percentage to Net Asset of Illiquid Equity Shares: Nil</p>		Issuer/ Instrument	Industry/ Rating	% to Net Assets	<b>Equity &amp; Equity related (Listed/Awaiting listing on Stock Exchange)</b>			Birla Corporation Ltd.	Cement	3.32%	Lupin Ltd.	Pharmaceuticals	3.32%	BGR Energy Systems Ltd.	Industrial Capital Goods	2.50%	Aurobindo Pharma Ltd.	Pharmaceuticals	2.26%	PTC India Ltd.	Power	2.20%	TVS Motors Company Ltd.	Auto	2.19%	Ipca Laboratories Ltd.	Pharmaceuticals	2.18%	Madras Cements Ltd.	Cement	2.18%	GlaxoSmithkline Consumer Healthcare Ltd.	Consumer Non Durables	2.15%	India Cements Ltd.	Cement	2.11%	Others		65.06%	<b>Listed/Awaiting Listing on Stock Exchange - Total</b>		<b>89.47%</b>	<b>Other than Hedging Positions through Futures as on 31st Dec, 2010</b>			<b>Underlying</b>	<b>Long/Short</b>	<b>Futures Price When purchased</b>	<b>Current Price of the Contract</b>	<b>% Age To NA</b>	Hindustan Zinc Ltd.	Long	1355.1484	1375.35	1.26	Tata Steel Limited.	Long	677.2	683.6	0.63	Hindalco Industries Ltd	Long	244.6	247.6	0.63	Total %age of existing assets hedged through futures				2.52	<b>Issuer/ Instrument</b>			<b>Industry/ Rating</b>	<b>% to Net Assets</b>	<b>Reverse Repo</b>				<b>2.28%</b>	<b>TERM DEPOSITS</b>					Kotak Mahindra Bank Ltd.				2.30%	<b>Term Deposits - Total</b>				<b>2.30%</b>	<b>Net Current Assets/(Liabilities)</b>				<b>3.43%</b>	<b>Grand Total</b>				<b>100%</b>
Issuer/ Instrument	Industry/ Rating	% to Net Assets																																																																																																																																			
<b>Equity &amp; Equity related (Listed/Awaiting listing on Stock Exchange)</b>																																																																																																																																					
<b>Mutual Fund Units</b>																																																																																																																																					
T Rowe Global Emerging Markets Equity Class A USD**	Mutual Fund Units	94.89%																																																																																																																																			
<b>Mutual Fund Units - Total</b>		<b>94.89%</b>																																																																																																																																			
<b>Reverse Repo</b>		<b>4.10%</b>																																																																																																																																			
<b>Net Current Assets/(Liabilities)</b>		<b>1.01%</b>																																																																																																																																			
<b>Grand Total</b>		<b>100%</b>																																																																																																																																			
Issuer/ Instrument	Industry/ Rating	% to Net Assets																																																																																																																																			
<b>Equity &amp; Equity related (Listed/Awaiting listing on Stock Exchange)</b>																																																																																																																																					
Birla Corporation Ltd.	Cement	3.32%																																																																																																																																			
Lupin Ltd.	Pharmaceuticals	3.32%																																																																																																																																			
BGR Energy Systems Ltd.	Industrial Capital Goods	2.50%																																																																																																																																			
Aurobindo Pharma Ltd.	Pharmaceuticals	2.26%																																																																																																																																			
PTC India Ltd.	Power	2.20%																																																																																																																																			
TVS Motors Company Ltd.	Auto	2.19%																																																																																																																																			
Ipca Laboratories Ltd.	Pharmaceuticals	2.18%																																																																																																																																			
Madras Cements Ltd.	Cement	2.18%																																																																																																																																			
GlaxoSmithkline Consumer Healthcare Ltd.	Consumer Non Durables	2.15%																																																																																																																																			
India Cements Ltd.	Cement	2.11%																																																																																																																																			
Others		65.06%																																																																																																																																			
<b>Listed/Awaiting Listing on Stock Exchange - Total</b>		<b>89.47%</b>																																																																																																																																			
<b>Other than Hedging Positions through Futures as on 31st Dec, 2010</b>																																																																																																																																					
<b>Underlying</b>	<b>Long/Short</b>	<b>Futures Price When purchased</b>	<b>Current Price of the Contract</b>	<b>% Age To NA</b>																																																																																																																																	
Hindustan Zinc Ltd.	Long	1355.1484	1375.35	1.26																																																																																																																																	
Tata Steel Limited.	Long	677.2	683.6	0.63																																																																																																																																	
Hindalco Industries Ltd	Long	244.6	247.6	0.63																																																																																																																																	
Total %age of existing assets hedged through futures				2.52																																																																																																																																	
<b>Issuer/ Instrument</b>			<b>Industry/ Rating</b>	<b>% to Net Assets</b>																																																																																																																																	
<b>Reverse Repo</b>				<b>2.28%</b>																																																																																																																																	
<b>TERM DEPOSITS</b>																																																																																																																																					
Kotak Mahindra Bank Ltd.				2.30%																																																																																																																																	
<b>Term Deposits - Total</b>				<b>2.30%</b>																																																																																																																																	
<b>Net Current Assets/(Liabilities)</b>				<b>3.43%</b>																																																																																																																																	
<b>Grand Total</b>				<b>100%</b>																																																																																																																																	
<b>Sector Allocation</b>	<table border="1"> <tbody> <tr> <td>Diversified Financial Services</td> <td>94.89%</td> </tr> <tr> <td>CBLO &amp; Term Deposits &amp; Rev.Repo</td> <td>4.1%</td> </tr> <tr> <td>Others</td> <td>1.01%</td> </tr> </tbody> </table>		Diversified Financial Services	94.89%	CBLO & Term Deposits & Rev.Repo	4.1%	Others	1.01%	<table border="1"> <tbody> <tr> <td>Banks</td> <td>17.33%</td> </tr> <tr> <td>Pharmaceuticals</td> <td>10.92%</td> </tr> <tr> <td>Cement</td> <td>8.4%</td> </tr> <tr> <td>Industrial Capital Goods</td> <td>7.48%</td> </tr> <tr> <td>Finance</td> <td>5.72%</td> </tr> <tr> <td>Consumer Non Durables</td> <td>5.67%</td> </tr> <tr> <td>Industrial Products</td> <td>5.47%</td> </tr> <tr> <td>Auto</td> <td>5.37%</td> </tr> <tr> <td>CBLO &amp; Term Deposits &amp; Rev.Repo</td> <td>4.58%</td> </tr> <tr> <td>Construction</td> <td>3.21%</td> </tr> <tr> <td>Others</td> <td>25.85%</td> </tr> </tbody> </table> <p><b>Midcap and Small cap stocks as a % age of Net Assets: 73.34%</b></p>		Banks	17.33%	Pharmaceuticals	10.92%	Cement	8.4%	Industrial Capital Goods	7.48%	Finance	5.72%	Consumer Non Durables	5.67%	Industrial Products	5.47%	Auto	5.37%	CBLO & Term Deposits & Rev.Repo	4.58%	Construction	3.21%	Others	25.85%																																																																																																					
Diversified Financial Services	94.89%																																																																																																																																				
CBLO & Term Deposits & Rev.Repo	4.1%																																																																																																																																				
Others	1.01%																																																																																																																																				
Banks	17.33%																																																																																																																																				
Pharmaceuticals	10.92%																																																																																																																																				
Cement	8.4%																																																																																																																																				
Industrial Capital Goods	7.48%																																																																																																																																				
Finance	5.72%																																																																																																																																				
Consumer Non Durables	5.67%																																																																																																																																				
Industrial Products	5.47%																																																																																																																																				
Auto	5.37%																																																																																																																																				
CBLO & Term Deposits & Rev.Repo	4.58%																																																																																																																																				
Construction	3.21%																																																																																																																																				
Others	25.85%																																																																																																																																				



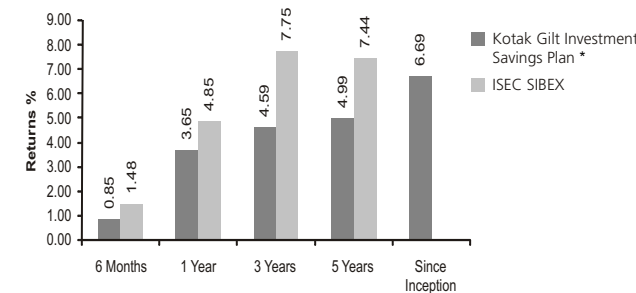
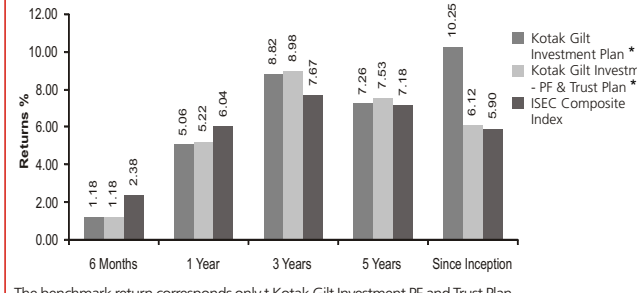
# EQUITY FUNDS

(As on December 31, 2010)

Scheme Name	<b>KOTAK CONTRA</b>	<b>KOTAK EQUITY ARBITRAGE</b>																																																																																																																																																																																																																																																		
	<b>An Open - Ended Equity Growth Scheme</b>	<b>An Open - Ended Equity Growth Scheme</b>																																																																																																																																																																																																																																																		
<b>Investment Objective</b>	To generate capital appreciation from a diversified portfolio of equity and equity related securities.	The investment objective of the scheme is to generate capital appreciation and income by predominantly investing in arbitrage opportunities in the cash and derivatives segment of the equity market, and by investing the balance in debt and money market instruments.																																																																																																																																																																																																																																																		
<b>Available Plans/Options</b>	Dividend Payout, Dividend Reinvestment & Growth	Dividend Payout, Dividend Reinvestment & Growth																																																																																																																																																																																																																																																		
<b>Dividend Freq.</b>	Trustee's Discretion	Monthly (Monday preceding the last Thursday of the month)																																																																																																																																																																																																																																																		
<b>Fund Managers</b>	Mr. Emmanuel Elango & Mr. Krishna Sanghvi	Mr. Sajit Pisharodi, Mr. Deepak Gupta & Mr. Abhishek Bisen																																																																																																																																																																																																																																																		
<b>Load Structure</b>	<b>Entry Load</b>	Nil.																																																																																																																																																																																																																																																		
	<b>Exit Load</b>	Nil.																																																																																																																																																																																																																																																		
<b>Minimum Investment Amount</b>	<b>Initial Investment:</b> Rs. 5000 <b>Additional Investment:</b> Rs. 1000 & in multiples of Re1 <b>Ideal Investments Horizon</b> - 1-3 years	<b>Initial Investment:</b> Rs. 5000 <b>Additional Investment:</b> Rs. 1000 & in multiples of Re1 <b>Ideal Investments Horizon</b> - Above 3 Months																																																																																																																																																																																																																																																		
<b>Corpus &amp; Ratios</b>	<b>Corpus:</b> Rs. 81.35 crores. <b>Ratios:</b> Portfolio Turnover: 262.95%. Beta*: 0.90 Sharpe*: 0.05 Alpha*: 0.22 Standard Deviation*: 31.50 *Source: Value Research.	<b>Corpus:</b> Rs. 134.68 crores. <b>Ratios:</b> Portfolio Turnover: 102.59% Beta*: 0.02 Sharpe*: 2.00 Alpha*: 2.02 Standard Deviation*: 1.02 YTM: 7.50% *Source: Value Research.																																																																																																																																																																																																																																																		
<b>Benchmark</b>	S & P CNX 500	CRISIL Liquid Fund Index																																																																																																																																																																																																																																																		
<b>Inception Date</b>	July 27, 2005	September 29, 2005																																																																																																																																																																																																																																																		
<b>Performance as on December 31, 2010</b>	<p style="font-size: small;">Kotak Contra NAV: Rs. 22.928 (Growth Option), Rs. 18.479 (Dividend Option) *All payouts during the period have been reinvested in the units of the scheme at the then prevailing NAV. Returns &lt;= 1 year: Absolute; Returns &gt; 1 year: CAGR (Compounded Annualised Growth Rate). Past performance may or may not be sustained in future.</p>	<p style="font-size: small;">Kotak Equity Arbitrage NAV: Rs. 14.3823 (Growth Option), Rs. 10.6238 (Dividend Option) *All payouts during the period have been reinvested in the units of the scheme at the then prevailing NAV. Returns &lt;= 1 year: Absolute; Returns &gt; 1 year: CAGR (Compounded Annualised Growth Rate). Past performance may or may not be sustained in future.</p>																																																																																																																																																																																																																																																		
<b>Portfolio</b>	<table border="1" style="width: 100%; border-collapse: collapse; font-size: x-small;"> <thead> <tr> <th>Issuer/ Instrument</th> <th>Industry/ Rating</th> <th>% to Net Assets</th> </tr> </thead> <tbody> <tr> <td colspan="3"><b>Equity &amp; Equity related (Listed/ Awaiting listing on Stock Exchange)</b></td> </tr> <tr> <td>ICICI Bank Ltd.</td> <td>Banks</td> <td>6.05%</td> </tr> <tr> <td>Tata Consultancy Services Ltd. ITC Ltd.</td> <td>Software Consumer Non Durables</td> <td>4.30%</td> </tr> <tr> <td>Reliance Industries Ltd.</td> <td>Petroleum Products</td> <td>3.65%</td> </tr> <tr> <td>State Bank Of India</td> <td>Banks</td> <td>3.19%</td> </tr> <tr> <td>Mahindra &amp; Mahindra Ltd.</td> <td>Auto</td> <td>3.11%</td> </tr> <tr> <td>Larsen And Toubro Ltd.</td> <td>Construction</td> <td>2.97%</td> </tr> <tr> <td>Lupin Ltd.</td> <td>Pharmaceuticals</td> <td>2.86%</td> </tr> <tr> <td>Oil &amp; Natural Gas Corporation Ltd.</td> <td>Oil</td> <td>2.82%</td> </tr> <tr> <td>India Cements Ltd.</td> <td>Cement</td> <td>2.69%</td> </tr> <tr> <td>Others</td> <td></td> <td>2.59%</td> </tr> <tr> <td><b>Listed/Awaiting Listing on Stock Exchange - Total</b></td> <td></td> <td><b>91.56%</b></td> </tr> <tr> <td><b>Reverse Repo</b></td> <td></td> <td><b>4.89%</b></td> </tr> <tr> <td colspan="3"><b>TERM DEPOSITS</b></td> </tr> <tr> <td>Kotak Mahindra Bank Ltd.</td> <td></td> <td>0.31%</td> </tr> <tr> <td><b>Term Deposits - Total</b></td> <td></td> <td><b>0.31%</b></td> </tr> <tr> <td><b>Net Current Assets/(Liabilities)</b></td> <td></td> <td><b>3.24%</b></td> </tr> <tr> <td><b>Grand Total</b></td> <td></td> <td><b>100%</b></td> </tr> </tbody> </table>	Issuer/ Instrument	Industry/ Rating	% to Net Assets	<b>Equity &amp; Equity related (Listed/ Awaiting listing on Stock Exchange)</b>			ICICI Bank Ltd.	Banks	6.05%	Tata Consultancy Services Ltd. ITC Ltd.	Software Consumer Non Durables	4.30%	Reliance Industries Ltd.	Petroleum Products	3.65%	State Bank Of India	Banks	3.19%	Mahindra & Mahindra Ltd.	Auto	3.11%	Larsen And Toubro Ltd.	Construction	2.97%	Lupin Ltd.	Pharmaceuticals	2.86%	Oil & Natural Gas Corporation Ltd.	Oil	2.82%	India Cements Ltd.	Cement	2.69%	Others		2.59%	<b>Listed/Awaiting Listing on Stock Exchange - Total</b>		<b>91.56%</b>	<b>Reverse Repo</b>		<b>4.89%</b>	<b>TERM DEPOSITS</b>			Kotak Mahindra Bank Ltd.		0.31%	<b>Term Deposits - Total</b>		<b>0.31%</b>	<b>Net Current Assets/(Liabilities)</b>		<b>3.24%</b>	<b>Grand Total</b>		<b>100%</b>	<table border="1" style="width: 100%; border-collapse: collapse; font-size: x-small;"> <thead> <tr> <th>Issuer/ Instrument</th> <th>Industry/ Rating</th> <th>% to Net Assets</th> </tr> </thead> <tbody> <tr> <td colspan="3"><b>Equity &amp; Equity related (Listed/Awaiting listing on Stock Exchange)</b></td> </tr> <tr> <td>Bombay Rayon Fashions Ltd.</td> <td>Textile Products</td> <td>6.59%</td> </tr> <tr> <td>Pantaloon Retail (India) Ltd.</td> <td>Retailing</td> <td>6.57%</td> </tr> <tr> <td>Century Textiles &amp; Industries Ltd.</td> <td>Cement</td> <td>3.59%</td> </tr> <tr> <td>GTL Ltd.</td> <td>Telecom - Equipment &amp; Accessories</td> <td>3.46%</td> </tr> <tr> <td>Dena Bank</td> <td>Banks</td> <td>3.36%</td> </tr> <tr> <td>Mercator Lines Ltd.</td> <td>Transportation</td> <td>3.10%</td> </tr> <tr> <td>Firstsource Solutions Ltd.</td> <td>Software</td> <td>2.90%</td> </tr> <tr> <td>Reliance Industries Ltd.</td> <td>Petroleum Products</td> <td>2.04%</td> </tr> <tr> <td>Apollo Tyres Ltd.</td> <td>Auto Ancillaries</td> <td>1.80%</td> </tr> <tr> <td>Power Grid Corporation Of India Ltd.</td> <td>Power</td> <td>1.78%</td> </tr> <tr> <td>Others</td> <td></td> <td>26.38%</td> </tr> <tr> <td><b>Listed/Awaiting Listing on Stock Exchange - Total</b></td> <td></td> <td><b>61.57%</b></td> </tr> <tr> <td colspan="3"><b>Hedging Positions through Futures as on 31st Dec,2010</b></td> </tr> <tr> <td><b>Underlying</b></td> <td><b>Long/ Short</b></td> <td><b>Futures Price When purchased</b></td> <td><b>Current Price Of the Contract</b></td> <td><b>%Age To NA</b></td> </tr> <tr> <td>Bombay Rayon Fashions Ltd.</td> <td>Short</td> <td>200.0377</td> <td>200.75</td> <td>(6.65)</td> </tr> <tr> <td>Pantaloon Retail (India) Ltd.</td> <td>Short</td> <td>358.6014</td> <td>369.85</td> <td>(6.62)</td> </tr> <tr> <td>Century Textiles &amp; Industries Ltd.</td> <td>Short</td> <td>420.6024</td> <td>432.2</td> <td>(3.63)</td> </tr> <tr> <td>GTL Ltd.</td> <td>Short</td> <td>419.8359</td> <td>420.25</td> <td>(3.49)</td> </tr> <tr> <td>Dena Bank</td> <td>Short</td> <td>113.5402</td> <td>117.3</td> <td>(3.38)</td> </tr> <tr> <td>Mercator Lines Ltd.</td> <td>Short</td> <td>56.4825</td> <td>59.05</td> <td>(3.12)</td> </tr> <tr> <td>Firstsource Solutions Ltd.</td> <td>Short</td> <td>24.3916</td> <td>25</td> <td>(2.93)</td> </tr> <tr> <td>Reliance Industries Ltd.</td> <td>Short</td> <td>1063.8884</td> <td>1067.25</td> <td>(2.06)</td> </tr> <tr> <td>Apollo Tyres Ltd.</td> <td>Short</td> <td>65.656</td> <td>67.4</td> <td>(1.82)</td> </tr> <tr> <td>Power Grid Corporation Of India Ltd.</td> <td>Short</td> <td>96.3303</td> <td>98.8</td> <td>(1.79)</td> </tr> <tr> <td>TVS Motors Company Ltd.</td> <td>Short</td> <td>70.0061</td> <td>71.4</td> <td>(1.72)</td> </tr> <tr> <td>ABG Shipyard Limited</td> <td>Short</td> <td>417.2031</td> <td>423.65</td> <td>(1.48)</td> </tr> <tr> <td>Infrastructure Development Finance Co. Ltd.</td> <td>Short</td> <td>177.517</td> <td>183.1</td> <td>(1.44)</td> </tr> <tr> <td>Reliance Infrastructure Ltd.</td> <td>Short</td> <td>811.0533</td> <td>847.3</td> <td>(1.42)</td> </tr> <tr> <td>Praj Industries Ltd.</td> <td>Short</td> <td>81.8173</td> <td>84.95</td> <td>(1.31)</td> </tr> <tr> <td>Shree Renuka Sugars Ltd.</td> <td>Short</td> <td>98.842</td> <td>97.6</td> <td>(1.28)</td> </tr> <tr> <td>Indian Oil Corporation Ltd.</td> <td>Short</td> <td>340.425</td> <td>344.95</td> <td>(1.23)</td> </tr> <tr> <td>Tata Teleservices Ltd.</td> <td>Short</td> <td>19.2</td> <td>19.6</td> <td>(1.22)</td> </tr> <tr> <td>Great Offshore Ltd.</td> <td>Short</td> <td>387.8427</td> <td>389.55</td> <td>(1.19)</td> </tr> <tr> <td>Television Eighteen India Ltd.</td> <td>Short</td> <td>70.1787</td> <td>71.3</td> <td>(1.14)</td> </tr> <tr> <td>Central Bank Of India</td> <td>Short</td> <td>174.1529</td> <td>182.8</td> <td>(1.14)</td> </tr> <tr> <td><b>Reverse Repo</b></td> <td></td> <td></td> <td></td> <td><b>9.60%</b></td> </tr> <tr> <td colspan="5"><b>TERM DEPOSITS</b></td> </tr> <tr> <td>Kotak Mahindra Bank Ltd.</td> <td></td> <td></td> <td></td> <td>22.59%</td> </tr> <tr> <td><b>Term Deposits - Total</b></td> <td></td> <td></td> <td></td> <td><b>22.59%</b></td> </tr> <tr> <td><b>Net Current Assets/(Liabilities)</b></td> <td></td> <td></td> <td></td> <td><b>6.24%</b></td> </tr> <tr> <td><b>Grand Total</b></td> <td></td> <td></td> <td></td> <td><b>100%</b></td> </tr> </tbody> </table>	Issuer/ Instrument	Industry/ Rating	% to Net Assets	<b>Equity &amp; Equity related (Listed/Awaiting listing on Stock Exchange)</b>			Bombay Rayon Fashions Ltd.	Textile Products	6.59%	Pantaloon Retail (India) Ltd.	Retailing	6.57%	Century Textiles & Industries Ltd.	Cement	3.59%	GTL Ltd.	Telecom - Equipment & Accessories	3.46%	Dena Bank	Banks	3.36%	Mercator Lines Ltd.	Transportation	3.10%	Firstsource Solutions Ltd.	Software	2.90%	Reliance Industries Ltd.	Petroleum Products	2.04%	Apollo Tyres Ltd.	Auto Ancillaries	1.80%	Power Grid Corporation Of India Ltd.	Power	1.78%	Others		26.38%	<b>Listed/Awaiting Listing on Stock Exchange - Total</b>		<b>61.57%</b>	<b>Hedging Positions through Futures as on 31st Dec,2010</b>			<b>Underlying</b>	<b>Long/ Short</b>	<b>Futures Price When purchased</b>	<b>Current Price Of the Contract</b>	<b>%Age To NA</b>	Bombay Rayon Fashions Ltd.	Short	200.0377	200.75	(6.65)	Pantaloon Retail (India) Ltd.	Short	358.6014	369.85	(6.62)	Century Textiles & Industries Ltd.	Short	420.6024	432.2	(3.63)	GTL Ltd.	Short	419.8359	420.25	(3.49)	Dena Bank	Short	113.5402	117.3	(3.38)	Mercator Lines Ltd.	Short	56.4825	59.05	(3.12)	Firstsource Solutions Ltd.	Short	24.3916	25	(2.93)	Reliance Industries Ltd.	Short	1063.8884	1067.25	(2.06)	Apollo Tyres Ltd.	Short	65.656	67.4	(1.82)	Power Grid Corporation Of India Ltd.	Short	96.3303	98.8	(1.79)	TVS Motors Company Ltd.	Short	70.0061	71.4	(1.72)	ABG Shipyard Limited	Short	417.2031	423.65	(1.48)	Infrastructure Development Finance Co. Ltd.	Short	177.517	183.1	(1.44)	Reliance Infrastructure Ltd.	Short	811.0533	847.3	(1.42)	Praj Industries Ltd.	Short	81.8173	84.95	(1.31)	Shree Renuka Sugars Ltd.	Short	98.842	97.6	(1.28)	Indian Oil Corporation Ltd.	Short	340.425	344.95	(1.23)	Tata Teleservices Ltd.	Short	19.2	19.6	(1.22)	Great Offshore Ltd.	Short	387.8427	389.55	(1.19)	Television Eighteen India Ltd.	Short	70.1787	71.3	(1.14)	Central Bank Of India	Short	174.1529	182.8	(1.14)	<b>Reverse Repo</b>				<b>9.60%</b>	<b>TERM DEPOSITS</b>					Kotak Mahindra Bank Ltd.				22.59%	<b>Term Deposits - Total</b>				<b>22.59%</b>	<b>Net Current Assets/(Liabilities)</b>				<b>6.24%</b>	<b>Grand Total</b>				<b>100%</b>
Issuer/ Instrument	Industry/ Rating	% to Net Assets																																																																																																																																																																																																																																																		
<b>Equity &amp; Equity related (Listed/ Awaiting listing on Stock Exchange)</b>																																																																																																																																																																																																																																																				
ICICI Bank Ltd.	Banks	6.05%																																																																																																																																																																																																																																																		
Tata Consultancy Services Ltd. ITC Ltd.	Software Consumer Non Durables	4.30%																																																																																																																																																																																																																																																		
Reliance Industries Ltd.	Petroleum Products	3.65%																																																																																																																																																																																																																																																		
State Bank Of India	Banks	3.19%																																																																																																																																																																																																																																																		
Mahindra & Mahindra Ltd.	Auto	3.11%																																																																																																																																																																																																																																																		
Larsen And Toubro Ltd.	Construction	2.97%																																																																																																																																																																																																																																																		
Lupin Ltd.	Pharmaceuticals	2.86%																																																																																																																																																																																																																																																		
Oil & Natural Gas Corporation Ltd.	Oil	2.82%																																																																																																																																																																																																																																																		
India Cements Ltd.	Cement	2.69%																																																																																																																																																																																																																																																		
Others		2.59%																																																																																																																																																																																																																																																		
<b>Listed/Awaiting Listing on Stock Exchange - Total</b>		<b>91.56%</b>																																																																																																																																																																																																																																																		
<b>Reverse Repo</b>		<b>4.89%</b>																																																																																																																																																																																																																																																		
<b>TERM DEPOSITS</b>																																																																																																																																																																																																																																																				
Kotak Mahindra Bank Ltd.		0.31%																																																																																																																																																																																																																																																		
<b>Term Deposits - Total</b>		<b>0.31%</b>																																																																																																																																																																																																																																																		
<b>Net Current Assets/(Liabilities)</b>		<b>3.24%</b>																																																																																																																																																																																																																																																		
<b>Grand Total</b>		<b>100%</b>																																																																																																																																																																																																																																																		
Issuer/ Instrument	Industry/ Rating	% to Net Assets																																																																																																																																																																																																																																																		
<b>Equity &amp; Equity related (Listed/Awaiting listing on Stock Exchange)</b>																																																																																																																																																																																																																																																				
Bombay Rayon Fashions Ltd.	Textile Products	6.59%																																																																																																																																																																																																																																																		
Pantaloon Retail (India) Ltd.	Retailing	6.57%																																																																																																																																																																																																																																																		
Century Textiles & Industries Ltd.	Cement	3.59%																																																																																																																																																																																																																																																		
GTL Ltd.	Telecom - Equipment & Accessories	3.46%																																																																																																																																																																																																																																																		
Dena Bank	Banks	3.36%																																																																																																																																																																																																																																																		
Mercator Lines Ltd.	Transportation	3.10%																																																																																																																																																																																																																																																		
Firstsource Solutions Ltd.	Software	2.90%																																																																																																																																																																																																																																																		
Reliance Industries Ltd.	Petroleum Products	2.04%																																																																																																																																																																																																																																																		
Apollo Tyres Ltd.	Auto Ancillaries	1.80%																																																																																																																																																																																																																																																		
Power Grid Corporation Of India Ltd.	Power	1.78%																																																																																																																																																																																																																																																		
Others		26.38%																																																																																																																																																																																																																																																		
<b>Listed/Awaiting Listing on Stock Exchange - Total</b>		<b>61.57%</b>																																																																																																																																																																																																																																																		
<b>Hedging Positions through Futures as on 31st Dec,2010</b>																																																																																																																																																																																																																																																				
<b>Underlying</b>	<b>Long/ Short</b>	<b>Futures Price When purchased</b>	<b>Current Price Of the Contract</b>	<b>%Age To NA</b>																																																																																																																																																																																																																																																
Bombay Rayon Fashions Ltd.	Short	200.0377	200.75	(6.65)																																																																																																																																																																																																																																																
Pantaloon Retail (India) Ltd.	Short	358.6014	369.85	(6.62)																																																																																																																																																																																																																																																
Century Textiles & Industries Ltd.	Short	420.6024	432.2	(3.63)																																																																																																																																																																																																																																																
GTL Ltd.	Short	419.8359	420.25	(3.49)																																																																																																																																																																																																																																																
Dena Bank	Short	113.5402	117.3	(3.38)																																																																																																																																																																																																																																																
Mercator Lines Ltd.	Short	56.4825	59.05	(3.12)																																																																																																																																																																																																																																																
Firstsource Solutions Ltd.	Short	24.3916	25	(2.93)																																																																																																																																																																																																																																																
Reliance Industries Ltd.	Short	1063.8884	1067.25	(2.06)																																																																																																																																																																																																																																																
Apollo Tyres Ltd.	Short	65.656	67.4	(1.82)																																																																																																																																																																																																																																																
Power Grid Corporation Of India Ltd.	Short	96.3303	98.8	(1.79)																																																																																																																																																																																																																																																
TVS Motors Company Ltd.	Short	70.0061	71.4	(1.72)																																																																																																																																																																																																																																																
ABG Shipyard Limited	Short	417.2031	423.65	(1.48)																																																																																																																																																																																																																																																
Infrastructure Development Finance Co. Ltd.	Short	177.517	183.1	(1.44)																																																																																																																																																																																																																																																
Reliance Infrastructure Ltd.	Short	811.0533	847.3	(1.42)																																																																																																																																																																																																																																																
Praj Industries Ltd.	Short	81.8173	84.95	(1.31)																																																																																																																																																																																																																																																
Shree Renuka Sugars Ltd.	Short	98.842	97.6	(1.28)																																																																																																																																																																																																																																																
Indian Oil Corporation Ltd.	Short	340.425	344.95	(1.23)																																																																																																																																																																																																																																																
Tata Teleservices Ltd.	Short	19.2	19.6	(1.22)																																																																																																																																																																																																																																																
Great Offshore Ltd.	Short	387.8427	389.55	(1.19)																																																																																																																																																																																																																																																
Television Eighteen India Ltd.	Short	70.1787	71.3	(1.14)																																																																																																																																																																																																																																																
Central Bank Of India	Short	174.1529	182.8	(1.14)																																																																																																																																																																																																																																																
<b>Reverse Repo</b>				<b>9.60%</b>																																																																																																																																																																																																																																																
<b>TERM DEPOSITS</b>																																																																																																																																																																																																																																																				
Kotak Mahindra Bank Ltd.				22.59%																																																																																																																																																																																																																																																
<b>Term Deposits - Total</b>				<b>22.59%</b>																																																																																																																																																																																																																																																
<b>Net Current Assets/(Liabilities)</b>				<b>6.24%</b>																																																																																																																																																																																																																																																
<b>Grand Total</b>				<b>100%</b>																																																																																																																																																																																																																																																
<b>Sector Allocation</b>	<table border="1" style="width: 100%; border-collapse: collapse; font-size: x-small;"> <tbody> <tr><td>Banks</td><td>18.37%</td></tr> <tr><td>Software</td><td>10.5%</td></tr> <tr><td>Cement</td><td>7.77%</td></tr> <tr><td>Consumer Non Durables</td><td>6.73%</td></tr> <tr><td>Pharmaceuticals</td><td>6.39%</td></tr> <tr><td>Finance</td><td>6.32%</td></tr> <tr><td>Petroleum Products</td><td>5.98%</td></tr> <tr><td>CBLO &amp; Term Deposits &amp; Rev.Repo</td><td>5.2%</td></tr> <tr><td>Auto</td><td>5.17%</td></tr> <tr><td>Industrial Capital Goods</td><td>4.53%</td></tr> <tr><td>Others</td><td>23.04%</td></tr> </tbody> </table>	Banks	18.37%	Software	10.5%	Cement	7.77%	Consumer Non Durables	6.73%	Pharmaceuticals	6.39%	Finance	6.32%	Petroleum Products	5.98%	CBLO & Term Deposits & Rev.Repo	5.2%	Auto	5.17%	Industrial Capital Goods	4.53%	Others	23.04%	<table border="1" style="width: 100%; border-collapse: collapse; font-size: x-small;"> <tbody> <tr><td>CBLO &amp; Term Deposits &amp; Rev.Repo</td><td>32.19%</td></tr> <tr><td>Textile Products</td><td>6.59%</td></tr> <tr><td>Retailing</td><td>6.57%</td></tr> <tr><td>Banks</td><td>5.74%</td></tr> <tr><td>Cement</td><td>4.35%</td></tr> <tr><td>Petroleum Products</td><td>4.33%</td></tr> <tr><td>Transportation</td><td>3.92%</td></tr> <tr><td>Telecom - Equipment &amp; Accessories</td><td>3.46%</td></tr> <tr><td>Power</td><td>3.41%</td></tr> <tr><td>Software</td><td>3.2%</td></tr> <tr><td>Others</td><td>26.24%</td></tr> </tbody> </table>	CBLO & Term Deposits & Rev.Repo	32.19%	Textile Products	6.59%	Retailing	6.57%	Banks	5.74%	Cement	4.35%	Petroleum Products	4.33%	Transportation	3.92%	Telecom - Equipment & Accessories	3.46%	Power	3.41%	Software	3.2%	Others	26.24%																																																																																																																																																																																																						
Banks	18.37%																																																																																																																																																																																																																																																			
Software	10.5%																																																																																																																																																																																																																																																			
Cement	7.77%																																																																																																																																																																																																																																																			
Consumer Non Durables	6.73%																																																																																																																																																																																																																																																			
Pharmaceuticals	6.39%																																																																																																																																																																																																																																																			
Finance	6.32%																																																																																																																																																																																																																																																			
Petroleum Products	5.98%																																																																																																																																																																																																																																																			
CBLO & Term Deposits & Rev.Repo	5.2%																																																																																																																																																																																																																																																			
Auto	5.17%																																																																																																																																																																																																																																																			
Industrial Capital Goods	4.53%																																																																																																																																																																																																																																																			
Others	23.04%																																																																																																																																																																																																																																																			
CBLO & Term Deposits & Rev.Repo	32.19%																																																																																																																																																																																																																																																			
Textile Products	6.59%																																																																																																																																																																																																																																																			
Retailing	6.57%																																																																																																																																																																																																																																																			
Banks	5.74%																																																																																																																																																																																																																																																			
Cement	4.35%																																																																																																																																																																																																																																																			
Petroleum Products	4.33%																																																																																																																																																																																																																																																			
Transportation	3.92%																																																																																																																																																																																																																																																			
Telecom - Equipment & Accessories	3.46%																																																																																																																																																																																																																																																			
Power	3.41%																																																																																																																																																																																																																																																			
Software	3.2%																																																																																																																																																																																																																																																			
Others	26.24%																																																																																																																																																																																																																																																			

# DEBT FUNDS

(As on December 31, 2010)

Scheme Name	KOTAK GILT SAVINGS			KOTAK GILT INVESTMENT																																															
	An Open - Ended Dedicated Gilt Unit Scheme			An Open - Ended Dedicated Gilt Unit Scheme																																															
<b>Investment Objective</b>	To generate risk-free returns through investments in sovereign securities issued by the Central and/or State Government(s) and/or reverse repos in such securities.			To generate risk-free returns through investments in sovereign securities issued by the Central and/or State Government(s) and/or reverse repos in such securities.																																															
<b>Available Plans/Options</b>	Dividend Payout, Dividend Reinvestment & Growth			Plans - (a) Regular, (b) PF & Trust Options - Dividend Payout, Dividend Reinvestment & Growth																																															
<b>Dividend Freq.</b>	Monthly (12th of every Month) & Annual			Quarterly (20th of Mar/Jun/Sep/Dec)																																															
<b>Fund Managers</b>	Mr. Abhishek Bisen & Mr. Deepak Agrawal			Mr. Abhishek Bisen & Mr. Deepak Agrawal																																															
<b>Load Structure</b>	<b>Entry Load</b>	Nil.			<b>(a) Regular Plan - Entry:</b> Nil. <b>(b) PF &amp; Trust Plan - Entry:</b> Nil.																																														
	<b>Exit Load</b>	Nil.			<b>(a) Regular Plan - Exit:</b> Nil. <b>(b) PF &amp; Trust Plan - Exit:</b> Nil.																																														
<b>Minimum Investment Amount</b>	<b>Initial Investment:</b> (i) Dividend Re-investment & Growth and Dividend Payout (Annual) - Rs. 5000 & above (ii) Dividend Payout (Monthly) - Rs. 50,000 & above <b>Additional Investment:</b> Rs. 1000 & in multiples of Re 1 <b>Ideal Investments Horizon</b> - 6 Months and above			<b>Initial Investment:</b> Rs. 5000 <b>Additional Investment:</b> Rs. 1000 & in multiples of Re. 1. <b>Ideal Investments Horizon</b> - More than 1 year.																																															
<b>Corpus &amp; Ratios</b>	<b>Corpus:</b> Rs. 21.10 crores. <b>Ratios:</b> Beta*: 0.02 Sharpe*: -0.97 Alpha*: -0.83 Standard Deviation*: 0.90 YTM: 7.75% *Source: Value Research. Portfolio Modified Duration: 1.56 yrs			<b>(a) Regular Plan - Corpus:</b> Rs. 81.19 crores. <b>Ratios:</b> Sharpe*: 0.30 Beta*: 0.09 Alpha*: 1.03 Standard Deviation*: 2.80 <b>(b) PF &amp; Trust Plan - Corpus:</b> Rs. 10.50 crores. <b>Ratios:</b> Sharpe*: 0.34 Beta*: 0.09 Alpha*: 1.13 Standard Deviation*: 2.80 YTM: 8.00% *Source: Value Research. Portfolio Modified Duration: 5.34 yrs																																															
<b>Benchmark</b>	ISEC SIBEX			ISEC Composite Index																																															
<b>Inception Date</b>	December 29, 1998			Regular Plan - December 29, 1998; PF & Trust Plan - November 11, 2003																																															
<b>Performance as on December 31, 2010</b>	 <p>Kotak Gilt Investment Savings Plan NAV: Rs. 21.7886 (Growth Option), Rs. 10.4395 (Monthly Dividend), Rs. 14.5704 (Annual Dividend), *All payouts during the period have been reinvested in the units of the scheme at the then prevailing NAV. Returns &lt;= 1 year: Absolute; Returns &gt; 1 year: CAGR (Compounded Annualised Growth Rate). Past performance may or may not be sustained in future.</p>			 <p>The benchmark return corresponds only to Kotak Gilt Investment PF and Trust Plan Kotak Gilt Investment Regular Plan NAV: Rs. 32.336 (Growth Option), Rs. 12.6229 (Dividend Option) Kotak Gilt Investment PF &amp; Trust Plan NAV: Rs. 33.0062 (Growth Option), Rs. 10.8596 (Dividend Option) *All payouts during the period have been reinvested in the units of the scheme at the then prevailing NAV. Returns &lt;= 1 year: Absolute; Returns &gt; 1 year: CAGR (Compounded Annualised Growth Rate) Past performance may or may not be sustained in future.</p>																																															
<b>Portfolio</b>	<table border="1"> <thead> <tr> <th>Issuer/ Instrument</th> <th>Industry/ Rating</th> <th>% to Net Assets</th> </tr> </thead> <tbody> <tr> <td><b>Government Dated Securities</b></td> <td></td> <td></td> </tr> <tr> <td>12% State Government</td> <td>SOV</td> <td>48.94%</td> </tr> <tr> <td>6.35% State Government</td> <td>SOV</td> <td>45.84%</td> </tr> <tr> <td>8.28% State Government</td> <td>SOV</td> <td>0.36%</td> </tr> <tr> <td><b>Government Dated Securities - Total</b></td> <td></td> <td><b>95.14%</b></td> </tr> <tr> <td><b>Net Current Assets/(Liabilities)</b></td> <td></td> <td><b>4.86%</b></td> </tr> <tr> <td><b>Grand Total</b></td> <td></td> <td><b>100%</b></td> </tr> </tbody> </table> <p><b>Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments: 1.56 years</b></p> <p>Total NPA provided and percentage to NAV: NIL</p> <p><b>Notes:</b> Valuation of Government Securities are as per the Securities and Exchange Board of India (SEBI) circular No. MFD/CIR/No 14/442/2002 dated February 20, 2002.</p>			Issuer/ Instrument	Industry/ Rating	% to Net Assets	<b>Government Dated Securities</b>			12% State Government	SOV	48.94%	6.35% State Government	SOV	45.84%	8.28% State Government	SOV	0.36%	<b>Government Dated Securities - Total</b>		<b>95.14%</b>	<b>Net Current Assets/(Liabilities)</b>		<b>4.86%</b>	<b>Grand Total</b>		<b>100%</b>	<table border="1"> <thead> <tr> <th>Issuer/ Instrument</th> <th>Industry/ Rating</th> <th>% to Net Assets</th> </tr> </thead> <tbody> <tr> <td><b>Government Dated Securities</b></td> <td></td> <td></td> </tr> <tr> <td>8.08% Central Government</td> <td>SOV</td> <td>45.91%</td> </tr> <tr> <td><b>Government Dated Securities - Total</b></td> <td></td> <td><b>45.91%</b></td> </tr> <tr> <td><b>Reverse Repo</b></td> <td></td> <td><b>48.18%</b></td> </tr> <tr> <td><b>Net Current Assets/(Liabilities)</b></td> <td></td> <td><b>5.91%</b></td> </tr> <tr> <td><b>Grand Total</b></td> <td></td> <td><b>100%</b></td> </tr> </tbody> </table> <p><b>Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments: 5.34 years</b></p> <p>Total NPA provided and percentage to NAV: NIL</p>			Issuer/ Instrument	Industry/ Rating	% to Net Assets	<b>Government Dated Securities</b>			8.08% Central Government	SOV	45.91%	<b>Government Dated Securities - Total</b>		<b>45.91%</b>	<b>Reverse Repo</b>		<b>48.18%</b>	<b>Net Current Assets/(Liabilities)</b>		<b>5.91%</b>	<b>Grand Total</b>		<b>100%</b>
Issuer/ Instrument	Industry/ Rating	% to Net Assets																																																	
<b>Government Dated Securities</b>																																																			
12% State Government	SOV	48.94%																																																	
6.35% State Government	SOV	45.84%																																																	
8.28% State Government	SOV	0.36%																																																	
<b>Government Dated Securities - Total</b>		<b>95.14%</b>																																																	
<b>Net Current Assets/(Liabilities)</b>		<b>4.86%</b>																																																	
<b>Grand Total</b>		<b>100%</b>																																																	
Issuer/ Instrument	Industry/ Rating	% to Net Assets																																																	
<b>Government Dated Securities</b>																																																			
8.08% Central Government	SOV	45.91%																																																	
<b>Government Dated Securities - Total</b>		<b>45.91%</b>																																																	
<b>Reverse Repo</b>		<b>48.18%</b>																																																	
<b>Net Current Assets/(Liabilities)</b>		<b>5.91%</b>																																																	
<b>Grand Total</b>		<b>100%</b>																																																	
<b>Sector Allocation</b>	<table border="1"> <tbody> <tr> <td>Government Dated Securities</td> <td>95.14%</td> <td>CBLO &amp; Term Deposits &amp; Rev.Repo</td> <td>48.18%</td> </tr> <tr> <td>Net Current Assets</td> <td>4.86%</td> <td>Government Dated Securities</td> <td>45.91%</td> </tr> <tr> <td></td> <td></td> <td>Net Current Assets</td> <td>5.91%</td> </tr> </tbody> </table>			Government Dated Securities	95.14%	CBLO & Term Deposits & Rev.Repo	48.18%	Net Current Assets	4.86%	Government Dated Securities	45.91%			Net Current Assets	5.91%																																				
Government Dated Securities	95.14%	CBLO & Term Deposits & Rev.Repo	48.18%																																																
Net Current Assets	4.86%	Government Dated Securities	45.91%																																																
		Net Current Assets	5.91%																																																
<b>Rating Profile</b>	<table border="1"> <tbody> <tr> <td>SOV</td> <td>95.14%</td> <td>CBLO &amp; Term Deposits &amp; Rev.Repo</td> <td>48.18%</td> </tr> <tr> <td>Net Current Assets</td> <td>4.86%</td> <td>SOV</td> <td>45.91%</td> </tr> <tr> <td></td> <td></td> <td>Net Current Assets</td> <td>5.91%</td> </tr> </tbody> </table>			SOV	95.14%	CBLO & Term Deposits & Rev.Repo	48.18%	Net Current Assets	4.86%	SOV	45.91%			Net Current Assets	5.91%																																				
SOV	95.14%	CBLO & Term Deposits & Rev.Repo	48.18%																																																
Net Current Assets	4.86%	SOV	45.91%																																																
		Net Current Assets	5.91%																																																

# DEBT FUNDS

(As on December 31, 2010)

Scheme Name	KOTAK BOND SHORT TERM		KOTAK BOND																																																																																																																																											
	An Open - Ended Debt Scheme		An Open - Ended Debt Scheme																																																																																																																																											
<b>Investment Objective</b>	To provide reasonable returns and high level of liquidity by investing in debt & money market instruments of different maturities, so as to spread the risk across different kinds of issuers in the debt market.		To create a portfolio of debt and money market instruments of different maturities so as to spread the risk across a wide maturity horizon & different kinds of issuers in the debt market.																																																																																																																																											
<b>Available Plans/Options</b>	Dividend Payout, Dividend Reinvestment & Growth		Plan (a) Deposit (b) Regular. Options (a) Deposit - Dividend Payout, Dividend Reinvestment & Growth (b) Regular - Dividend Payout, Dividend Reinvestment, Growth & Bonus																																																																																																																																											
<b>Dividend Freq.</b>	Monthly (12th of every Month)		Deposit Plan - Quarterly (20th of Mar/Jun/Sep/Dec) Regular Plan - Quarterly (20th of Mar/Jun/Sep/Dec) Annual (12th of Mar)																																																																																																																																											
<b>Fund Managers</b>	Mr. Abhishek Bisen & Mr. Deepak Agrawal		Mr. Abhishek Bisen & Mr. Deepak Agrawal																																																																																																																																											
<b>Load Structure</b>	<b>Entry Load</b>	Nil.		<b>(a) Deposit Plan - Entry:</b> Nil. <b>(b) Regular Plan - Entry:</b> Nil.																																																																																																																																										
	<b>Exit Load</b>	i) For redemptions/ switch outs (including SIP/STP) within 90 days from the date of allotment of units, irrespective of the amount of investment: 0.50% ii) For redemptions/ switch outs (including SIP/STP) after 90 days from the date of allotment of units, irrespective of the amount of investment: NIL		<b>(a) Deposit Plan - Exit:</b> For redemptions / switch outs (including SIP/STP) within 1 year from the date of allotment of units, irrespective of the amount of investment: 1% <b>(b) Regular Plan - Exit:</b> For redemptions / switch outs (including SIP/STP) within 1 year from the date of allotment of units, irrespective of the amount of investment: 1%																																																																																																																																										
<b>Minimum Investment Amount</b>	<b>Initial Investment:</b> (i) Dividend Re-investment & Growth - Rs. 5000 & above (ii) Dividend Payout (Monthly Dividend) - Rs. 50,000 & above <b>Additional Investment:</b> Rs. 1000 & in multiples of Re.1 <b>Ideal Investments Horizon - 6 Months and above</b>		<b>Initial Investment: (a) Deposit Plan - Rs. 5000 (b) Regular Plan - Rs. 500000</b> <b>Additional Investment:</b> Rs. 1000 & in multiples of Re.1. <b>Ideal Investments Horizon - 1-2 years</b>																																																																																																																																											
<b>Corpus &amp; Ratios</b>	<b>Corpus:</b> Rs. 298.97 crores. <b>Ratios:</b> Beta*: -0.01 Sharpe*: 1.11 Alpha*: 0.71 Standard Deviation*: 0.64 YTM: 9.25% *Source: Value Research. Portfolio Modified Duration: 1.39 yrs		<b>(a) Deposit Plan - Corpus:</b> Rs. 32.95 crores. <b>Ratios:</b> Sharpe*: -0.01 Beta*: 0.04 Alpha*: 0.01 Standard Deviation*: 2.38 <b>(b) Regular Plan - Corpus:</b> Rs. 68.68 crores. <b>Ratios:</b> Sharpe*: -0.06 Beta*: 0.04 Alpha*: -0.10 Standard Deviation*: 2.38 YTM: 8.50% *Source: Value Research. Portfolio Modified Duration: 2.42 yrs																																																																																																																																											
<b>Benchmark</b>	Crisil Short - Term Bond Fund Index		Crisil Composite Bond Fund Index																																																																																																																																											
<b>Inception Date</b>	May 02, 2002		November 25, 1999																																																																																																																																											
<b>Performance as on December 31, 2010</b>	<p>Kotak Bond Short Term NAV: Rs. 18.2056 (Growth Option), Rs. 10.0404 (Dividend Option) *All payouts during the period have been reinvested in the units of the scheme at the then prevailing NAV. Returns &lt;= 1 year: Absolute; Returns &gt; 1 year: CAGR (Compounded Annualised Growth Rate) Past performance may or may not be sustained in future.</p>		<p>Kotak Bond Deposit NAV: Rs. 25.3052 (Growth Option), Rs. 12.0472 (Dividend Option) Kotak Bond Regular NAV: Rs. 27.1304 (Growth Option), Rs. 10.3381 (Quarterly Dividend), Rs. 18.132 (Annual Dividend), Rs. 18.0841 (Bonus) *All payouts during the period have been reinvested in the units of the scheme at the then prevailing NAV. Returns &lt;= 1 year: Absolute; Returns &gt; 1 year: CAGR (Compounded Annualised Growth Rate). Past performance may or may not be sustained in future.</p>																																																																																																																																											
<b>Portfolio</b>	<table border="1"> <thead> <tr> <th>Issuer/ Instrument</th> <th>Industry/ Rating</th> <th>% to Net Assets</th> </tr> </thead> <tbody> <tr> <td colspan="3"><b>Debt Instruments</b></td> </tr> <tr> <td colspan="3"><b>Debentures and Bonds</b></td> </tr> <tr> <td colspan="3"><b>Corporate Debt/Financial Institutions</b></td> </tr> <tr> <td>Shriram Transport Finance Co Ltd.</td> <td>AA(ind)</td> <td>36.90%</td> </tr> <tr> <td>Tata Communications Ltd.</td> <td>CARE AAA</td> <td>19.85%</td> </tr> <tr> <td>Aditya Birla Nuvo Limited</td> <td>LAA+</td> <td>14.80%</td> </tr> <tr> <td>HDFC Ltd.</td> <td>AAA</td> <td>9.11%</td> </tr> <tr> <td>Tech Mahindra Ltd.</td> <td>CARE AAA</td> <td>1.74%</td> </tr> <tr> <td>Sundaram BNP Paribas Home Finance Ltd.</td> <td>CARE AA+</td> <td>0.65%</td> </tr> <tr> <td><b>Corporate Debt/Financial Institutions - Total</b></td> <td></td> <td><b>83.05%</b></td> </tr> <tr> <td colspan="3"><b>Government Dated Securities</b></td> </tr> <tr> <td>8% Central Government</td> <td>SOV</td> <td>0.29%</td> </tr> <tr> <td><b>Government Dated Securities - Total</b></td> <td></td> <td><b>0.29%</b></td> </tr> <tr> <td colspan="3"><b>Money Market Instruments</b></td> </tr> <tr> <td colspan="3"><b>Commercial Paper(CP)/Certificate of Deposits(CD)</b></td> </tr> <tr> <td colspan="3"><b>Corporate Debt/Financial Institutions</b></td> </tr> <tr> <td>Sundaram Finance Ltd.</td> <td>A1+</td> <td>8.96%</td> </tr> <tr> <td>Tata Teleservices Limited</td> <td>PR1+</td> <td>4.20%</td> </tr> <tr> <td><b>Corporate Debt/Financial Institutions - Total</b></td> <td></td> <td><b>13.16%</b></td> </tr> <tr> <td><b>Net Current Assets/(Liabilities)</b></td> <td></td> <td><b>3.50%</b></td> </tr> <tr> <td><b>Grand Total</b></td> <td></td> <td><b>100%</b></td> </tr> </tbody> </table> <p>Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments: 1.65 years Total NPA provided and percentage to NAV: NIL</p>		Issuer/ Instrument	Industry/ Rating	% to Net Assets	<b>Debt Instruments</b>			<b>Debentures and Bonds</b>			<b>Corporate Debt/Financial Institutions</b>			Shriram Transport Finance Co Ltd.	AA(ind)	36.90%	Tata Communications Ltd.	CARE AAA	19.85%	Aditya Birla Nuvo Limited	LAA+	14.80%	HDFC Ltd.	AAA	9.11%	Tech Mahindra Ltd.	CARE AAA	1.74%	Sundaram BNP Paribas Home Finance Ltd.	CARE AA+	0.65%	<b>Corporate Debt/Financial Institutions - Total</b>		<b>83.05%</b>	<b>Government Dated Securities</b>			8% Central Government	SOV	0.29%	<b>Government Dated Securities - Total</b>		<b>0.29%</b>	<b>Money Market Instruments</b>			<b>Commercial Paper(CP)/Certificate of Deposits(CD)</b>			<b>Corporate Debt/Financial Institutions</b>			Sundaram Finance Ltd.	A1+	8.96%	Tata Teleservices Limited	PR1+	4.20%	<b>Corporate Debt/Financial Institutions - Total</b>		<b>13.16%</b>	<b>Net Current Assets/(Liabilities)</b>		<b>3.50%</b>	<b>Grand Total</b>		<b>100%</b>	<table border="1"> <thead> <tr> <th>Issuer/ Instrument</th> <th>Industry/ Rating</th> <th>% to Net Assets</th> </tr> </thead> <tbody> <tr> <td colspan="3"><b>Debt Instruments</b></td> </tr> <tr> <td colspan="3"><b>Debentures and Bonds</b></td> </tr> <tr> <td colspan="3"><b>Corporate Debt/Financial Institutions</b></td> </tr> <tr> <td>Shriram Transport Finance Co Ltd.</td> <td>AA(ind)</td> <td>19.99%</td> </tr> <tr> <td>Sundaram BNP Paribas Home Finance Ltd.</td> <td>CARE AA+</td> <td>12.51%</td> </tr> <tr> <td>ICICI Home Finance Company Limited</td> <td>LAAA</td> <td>8.81%</td> </tr> <tr> <td>Tata Communications Ltd.</td> <td>CARE AAA</td> <td>7.79%</td> </tr> <tr> <td>Tata Motors Finance Ltd.</td> <td>LA+</td> <td>5.03%</td> </tr> <tr> <td>Tata Motors Finance Ltd.</td> <td>AA-</td> <td>4.85%</td> </tr> <tr> <td><b>Corporate Debt/Financial Institutions - Total</b></td> <td></td> <td><b>58.98%</b></td> </tr> <tr> <td colspan="3"><b>Government Dated Securities</b></td> </tr> <tr> <td>8.08% Central Government</td> <td>SOV</td> <td>7.89%</td> </tr> <tr> <td>8.13% Central Government</td> <td>SOV</td> <td>4.96%</td> </tr> <tr> <td><b>Government Dated Securities - Total</b></td> <td></td> <td><b>12.85%</b></td> </tr> <tr> <td colspan="3"><b>Money Market Instruments</b></td> </tr> <tr> <td colspan="3"><b>Commercial Paper(CP)/Certificate of Deposits(CD)</b></td> </tr> <tr> <td colspan="3"><b>Corporate Debt/Financial Institutions</b></td> </tr> <tr> <td>Tata Teleservices Limited</td> <td>PR1+</td> <td>11.40%</td> </tr> <tr> <td>Sundaram Finance Ltd.</td> <td>A1+</td> <td>0.94%</td> </tr> <tr> <td><b>Corporate Debt/Financial Institutions - Total</b></td> <td></td> <td><b>12.34%</b></td> </tr> <tr> <td><b>Reverse Repo</b></td> <td></td> <td><b>1.96%</b></td> </tr> <tr> <td><b>Net Current Assets/(Liabilities)</b></td> <td></td> <td><b>13.87%</b></td> </tr> <tr> <td><b>Grand Total</b></td> <td></td> <td><b>100%</b></td> </tr> </tbody> </table> <p>Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments: 2.74 years Total NPA provided and percentage to NAV: NIL</p> <p><b>Notes:</b> Valuation of Government Securities are as per the Securities and Exchange Board of India (SEBI) circular No. MFD/ CIR/ No. 14/442/2002 dated February 20, 2002.</p>		Issuer/ Instrument	Industry/ Rating	% to Net Assets	<b>Debt Instruments</b>			<b>Debentures and Bonds</b>			<b>Corporate Debt/Financial Institutions</b>			Shriram Transport Finance Co Ltd.	AA(ind)	19.99%	Sundaram BNP Paribas Home Finance Ltd.	CARE AA+	12.51%	ICICI Home Finance Company Limited	LAAA	8.81%	Tata Communications Ltd.	CARE AAA	7.79%	Tata Motors Finance Ltd.	LA+	5.03%	Tata Motors Finance Ltd.	AA-	4.85%	<b>Corporate Debt/Financial Institutions - Total</b>		<b>58.98%</b>	<b>Government Dated Securities</b>			8.08% Central Government	SOV	7.89%	8.13% Central Government	SOV	4.96%	<b>Government Dated Securities - Total</b>		<b>12.85%</b>	<b>Money Market Instruments</b>			<b>Commercial Paper(CP)/Certificate of Deposits(CD)</b>			<b>Corporate Debt/Financial Institutions</b>			Tata Teleservices Limited	PR1+	11.40%	Sundaram Finance Ltd.	A1+	0.94%	<b>Corporate Debt/Financial Institutions - Total</b>		<b>12.34%</b>	<b>Reverse Repo</b>		<b>1.96%</b>	<b>Net Current Assets/(Liabilities)</b>		<b>13.87%</b>	<b>Grand Total</b>		<b>100%</b>
Issuer/ Instrument	Industry/ Rating	% to Net Assets																																																																																																																																												
<b>Debt Instruments</b>																																																																																																																																														
<b>Debentures and Bonds</b>																																																																																																																																														
<b>Corporate Debt/Financial Institutions</b>																																																																																																																																														
Shriram Transport Finance Co Ltd.	AA(ind)	36.90%																																																																																																																																												
Tata Communications Ltd.	CARE AAA	19.85%																																																																																																																																												
Aditya Birla Nuvo Limited	LAA+	14.80%																																																																																																																																												
HDFC Ltd.	AAA	9.11%																																																																																																																																												
Tech Mahindra Ltd.	CARE AAA	1.74%																																																																																																																																												
Sundaram BNP Paribas Home Finance Ltd.	CARE AA+	0.65%																																																																																																																																												
<b>Corporate Debt/Financial Institutions - Total</b>		<b>83.05%</b>																																																																																																																																												
<b>Government Dated Securities</b>																																																																																																																																														
8% Central Government	SOV	0.29%																																																																																																																																												
<b>Government Dated Securities - Total</b>		<b>0.29%</b>																																																																																																																																												
<b>Money Market Instruments</b>																																																																																																																																														
<b>Commercial Paper(CP)/Certificate of Deposits(CD)</b>																																																																																																																																														
<b>Corporate Debt/Financial Institutions</b>																																																																																																																																														
Sundaram Finance Ltd.	A1+	8.96%																																																																																																																																												
Tata Teleservices Limited	PR1+	4.20%																																																																																																																																												
<b>Corporate Debt/Financial Institutions - Total</b>		<b>13.16%</b>																																																																																																																																												
<b>Net Current Assets/(Liabilities)</b>		<b>3.50%</b>																																																																																																																																												
<b>Grand Total</b>		<b>100%</b>																																																																																																																																												
Issuer/ Instrument	Industry/ Rating	% to Net Assets																																																																																																																																												
<b>Debt Instruments</b>																																																																																																																																														
<b>Debentures and Bonds</b>																																																																																																																																														
<b>Corporate Debt/Financial Institutions</b>																																																																																																																																														
Shriram Transport Finance Co Ltd.	AA(ind)	19.99%																																																																																																																																												
Sundaram BNP Paribas Home Finance Ltd.	CARE AA+	12.51%																																																																																																																																												
ICICI Home Finance Company Limited	LAAA	8.81%																																																																																																																																												
Tata Communications Ltd.	CARE AAA	7.79%																																																																																																																																												
Tata Motors Finance Ltd.	LA+	5.03%																																																																																																																																												
Tata Motors Finance Ltd.	AA-	4.85%																																																																																																																																												
<b>Corporate Debt/Financial Institutions - Total</b>		<b>58.98%</b>																																																																																																																																												
<b>Government Dated Securities</b>																																																																																																																																														
8.08% Central Government	SOV	7.89%																																																																																																																																												
8.13% Central Government	SOV	4.96%																																																																																																																																												
<b>Government Dated Securities - Total</b>		<b>12.85%</b>																																																																																																																																												
<b>Money Market Instruments</b>																																																																																																																																														
<b>Commercial Paper(CP)/Certificate of Deposits(CD)</b>																																																																																																																																														
<b>Corporate Debt/Financial Institutions</b>																																																																																																																																														
Tata Teleservices Limited	PR1+	11.40%																																																																																																																																												
Sundaram Finance Ltd.	A1+	0.94%																																																																																																																																												
<b>Corporate Debt/Financial Institutions - Total</b>		<b>12.34%</b>																																																																																																																																												
<b>Reverse Repo</b>		<b>1.96%</b>																																																																																																																																												
<b>Net Current Assets/(Liabilities)</b>		<b>13.87%</b>																																																																																																																																												
<b>Grand Total</b>		<b>100%</b>																																																																																																																																												
<b>Sector Allocation</b>	<table border="1"> <tbody> <tr> <td>Debentures and Bonds</td> <td>83.05%</td> </tr> <tr> <td>Commercial Paper (CP)/Certificate of Deposits (CD)</td> <td>13.16%</td> </tr> <tr> <td>Net Current Assets</td> <td>3.5%</td> </tr> <tr> <td>Government Dated Securities</td> <td>0.29%</td> </tr> </tbody> </table>		Debentures and Bonds	83.05%	Commercial Paper (CP)/Certificate of Deposits (CD)	13.16%	Net Current Assets	3.5%	Government Dated Securities	0.29%	<table border="1"> <tbody> <tr> <td>Debentures and Bonds</td> <td>58.98%</td> </tr> <tr> <td>Net Current Assets</td> <td>13.87%</td> </tr> <tr> <td>Government Dated Securities</td> <td>12.85%</td> </tr> <tr> <td>Commercial Paper (CP)/Certificate of Deposits (CD)</td> <td>12.34%</td> </tr> <tr> <td>CBLO &amp; Term Deposits &amp; Rev.Repo</td> <td>1.96%</td> </tr> </tbody> </table>		Debentures and Bonds	58.98%	Net Current Assets	13.87%	Government Dated Securities	12.85%	Commercial Paper (CP)/Certificate of Deposits (CD)	12.34%	CBLO & Term Deposits & Rev.Repo	1.96%																																																																																																																								
Debentures and Bonds	83.05%																																																																																																																																													
Commercial Paper (CP)/Certificate of Deposits (CD)	13.16%																																																																																																																																													
Net Current Assets	3.5%																																																																																																																																													
Government Dated Securities	0.29%																																																																																																																																													
Debentures and Bonds	58.98%																																																																																																																																													
Net Current Assets	13.87%																																																																																																																																													
Government Dated Securities	12.85%																																																																																																																																													
Commercial Paper (CP)/Certificate of Deposits (CD)	12.34%																																																																																																																																													
CBLO & Term Deposits & Rev.Repo	1.96%																																																																																																																																													
<b>Rating Profile</b>	<table border="1"> <tbody> <tr> <td>CARE AA+, LAA+, AA(ind)</td> <td>52.35%</td> </tr> <tr> <td>A1+, AAA, CARE AAA, PR1+, SOV</td> <td>44.15%</td> </tr> <tr> <td>Net Current Assets</td> <td>3.5%</td> </tr> </tbody> </table>		CARE AA+, LAA+, AA(ind)	52.35%	A1+, AAA, CARE AAA, PR1+, SOV	44.15%	Net Current Assets	3.5%	<table border="1"> <tbody> <tr> <td>A1+, CARE AAA, LAAA, PR1+, SOV</td> <td>41.79%</td> </tr> <tr> <td>CARE AA+, AA(ind), AA-</td> <td>37.35%</td> </tr> <tr> <td>Net Current Assets</td> <td>13.87%</td> </tr> <tr> <td>LA+</td> <td>5.03%</td> </tr> <tr> <td>CBLO &amp; Term Deposits &amp; Rev.Repo</td> <td>1.96%</td> </tr> </tbody> </table>		A1+, CARE AAA, LAAA, PR1+, SOV	41.79%	CARE AA+, AA(ind), AA-	37.35%	Net Current Assets	13.87%	LA+	5.03%	CBLO & Term Deposits & Rev.Repo	1.96%																																																																																																																										
CARE AA+, LAA+, AA(ind)	52.35%																																																																																																																																													
A1+, AAA, CARE AAA, PR1+, SOV	44.15%																																																																																																																																													
Net Current Assets	3.5%																																																																																																																																													
A1+, CARE AAA, LAAA, PR1+, SOV	41.79%																																																																																																																																													
CARE AA+, AA(ind), AA-	37.35%																																																																																																																																													
Net Current Assets	13.87%																																																																																																																																													
LA+	5.03%																																																																																																																																													
CBLO & Term Deposits & Rev.Repo	1.96%																																																																																																																																													

# DEBT FUNDS

(As on December 31, 2010)

Scheme Name	<b>KOTAK FLOATER LONG TERM</b>	<b>KOTAK FLOATER SHORT TERM</b>																																																																																																																																																																																																																																																																																																																														
	<i>An Open - Ended Debt Scheme</i>	<i>An Open - Ended Debt Scheme</i>																																																																																																																																																																																																																																																																																																																														
<b>Investment Objective</b>	To reduce the interest rate risk associated with investments in fixed rate instruments by investing predominantly in floating rate securities, money market instruments and using appropriate derivatives.	To reduce the interest rate risk associated with investments in fixed rate instruments by investing predominantly in floating rate securities, money market instruments and using appropriate derivatives.																																																																																																																																																																																																																																																																																																																														
<b>Available Options</b>	Dividend Payout, Dividend Reinvestment & Growth	Dividend Reinvestment & Growth																																																																																																																																																																																																																																																																																																																														
<b>Dividend Freq.</b>	Daily Monthly (12th of every Month), Weekly (Every Monday)	Daily Weekly (Every Monday), Monthly (12th of every Month)																																																																																																																																																																																																																																																																																																																														
<b>Fund Managers</b>	Mr. Deepak Agrawal & Mr. Abhishek Bisen.	Mr. Deepak Agrawal & Mr. Abhishek Bisen.																																																																																																																																																																																																																																																																																																																														
<b>Load Structure</b>	<b>Entry Load</b>	Nil.																																																																																																																																																																																																																																																																																																																														
	<b>Exit Load</b>	Nil.																																																																																																																																																																																																																																																																																																																														
<b>Minimum Investment Amount</b>	<b>Initial Investment:</b> (i) Dividend Re-investment & Growth- Rs. 5000 & above (ii) Dividend Payout (Weekly) - Rs. 1,00,00,000 & above <b>Additional Investment:</b> Rs. 1000 & in multiples of Re1 <b>Ideal Investments Horizon</b> - 3 Months and above	<b>Initial Investment:</b> Rs. 5000 & Rs. 1,00,000 under Daily Dividend Reinvestment option, <b>Additional Investment:</b> Rs. 1000 & in multiples of Re.1. <b>Ideal Investments Horizon</b> - 1 Month to 3 Months.																																																																																																																																																																																																																																																																																																																														
<b>Corpus &amp; Ratios</b>	<b>Corpus:</b> Rs. 3026.77 crores. <b>Ratios:</b> Standard Deviation*: 0.13 Beta*: 0.89 Sharpe*: 13.14 Alpha*: 1.96 YTM: 8.40% * Source: Value Research. Portfolio Modified Duration: 0.27 yrs	<b>Corpus:</b> Rs. 1921.33 crores. <b>Ratios:</b> Standard Deviation*: 0.20 Beta*: 0.87 Sharpe*: 4.56 Alpha*: 1.22 YTM: 8.25% *Source: Value Research. Portfolio Modified Duration: 0.17 yrs																																																																																																																																																																																																																																																																																																																														
<b>Benchmark</b>	CRISIL Liquid Fund Index	CRISIL Liquid Fund Index																																																																																																																																																																																																																																																																																																																														
<b>Inception Date</b>	August 13, 2004	July 14, 2003																																																																																																																																																																																																																																																																																																																														
<b>Performance as on December 31, 2010</b>	<p style="font-size: small;">Kotak Floater Long Term NAV: Rs. 15.2665 (Growth Option), Rs. 10.0798 (Daily Dividend), Rs. 10.0834 (Weekly Dividend), Rs. 10.0789 (Monthly Dividend) *All payouts during the period have been reinvested in the units of the scheme at the then prevailing NAV. Returns &lt;= 1 year : Absolute; Returns &gt; 1 year : CAGR (Compounded Annualised Growth Rate). Past performance may or may not be sustained in future.</p>	<p style="font-size: small;">Kotak Floater Short Term NAV: Rs. 15.7161 (Growth Option), Rs. 10.1162 (Daily Dividend), Rs. 10.0673 (Weekly Dividend), Rs. 10.0393 (Monthly Dividend) *All payouts during the period have been reinvested in the units of the scheme at the then prevailing NAV. Returns &lt;= 1 year : Absolute; Returns &gt; 1 year : CAGR (Compounded Annualised Growth Rate). Past performance may or may not be sustained in future.</p>																																																																																																																																																																																																																																																																																																																														
<b>Portfolio</b>	<table border="1" style="width: 100%; font-size: x-small;"> <thead> <tr> <th>Issuer/ Instrument</th> <th>Industry/ Rating</th> <th>% to Net Assets</th> <th>Issuer/ Instrument</th> <th>Industry/ Rating</th> <th>% to Net Assets</th> </tr> </thead> <tbody> <tr> <td colspan="3"><b>Debt Instruments</b></td> <td>Canara Bank</td> <td>P1+</td> <td>2.32%</td> </tr> <tr> <td colspan="3"><b>Debentures and Bonds</b></td> <td>State Bank of Travancore</td> <td>P1+</td> <td>1.65%</td> </tr> <tr> <td colspan="3"><b>Corporate Debt/Financial Institutions</b></td> <td>Indian Bank</td> <td>P1+</td> <td>1.63%</td> </tr> <tr> <td>Tech Mahindra Ltd.</td> <td>CARE AAA</td> <td>2.31%</td> <td>Syndicate Bank</td> <td>P1+</td> <td>1.62%</td> </tr> <tr> <td>Corporate Debt Trust 2010 - 11 Srs 2 Class A1 21/02/11 (Shriram Transport Finance Co Ltd.)</td> <td>A1+(SO)</td> <td>0.94%</td> <td>IDBI Home Finance</td> <td>A1+</td> <td>1.49%</td> </tr> <tr> <td>Shriram Transport Finance Co Ltd.</td> <td>AA(ind)</td> <td>0.70%</td> <td>Bank of India</td> <td>P1+</td> <td>1.46%</td> </tr> <tr> <td>Infrastructure Development Finance Co. Ltd.</td> <td>AAA(ind)</td> <td>0.01%</td> <td>Central Bank Of India</td> <td>P1+</td> <td>1.21%</td> </tr> <tr> <td colspan="3"><b>Corporate Debt/Financial Institutions - Total</b></td> <td>IDBI Bank Ltd.</td> <td>P1+</td> <td>0.62%</td> </tr> <tr> <td colspan="3"><b>Public Sector Undertakings - Total</b></td> <td>IDBI Bank Ltd.</td> <td>A1+</td> <td>0.33%</td> </tr> <tr> <td colspan="3"><b>Reverse Repo</b></td> <td>UCO Bank</td> <td>P1+</td> <td>0.33%</td> </tr> <tr> <td colspan="3"><b>Money Market Instruments</b></td> <td>Oriental Bank of Commerce</td> <td>P1+</td> <td>0.23%</td> </tr> <tr> <td colspan="3"><b>Commercial Paper(CP)/Certificate of Deposits(CD)</b></td> <td colspan="3"><b>Public Sector Undertakings - Total</b></td> </tr> <tr> <td colspan="3"><b>Corporate Debt/Financial Institutions</b></td> <td colspan="3"><b>Reverse Repo</b></td> </tr> <tr> <td>Tata Motors Ltd.</td> <td>P1+</td> <td>7.44%</td> <td colspan="3"><b>TERM DEPOSITS</b></td> </tr> <tr> <td>Muthoot Finance Ltd.</td> <td>P1+</td> <td>6.13%</td> <td colspan="3">Indusind Bank Ltd</td> </tr> <tr> <td>Edelweiss Capital Ltd.</td> <td>P1+</td> <td>5.55%</td> <td colspan="3">The South Indian Bank Limited</td> </tr> <tr> <td>Federal Bank Ltd.</td> <td>P1+</td> <td>4.74%</td> <td colspan="3"><b>Term Deposits - Total</b></td> </tr> <tr> <td>South Indian Bank Ltd.</td> <td>PR1+</td> <td>4.05%</td> <td colspan="3"><b>Net Current Assets/(Liabilities)</b></td> </tr> <tr> <td>TATA Capital Ltd.</td> <td>A1+</td> <td>3.26%</td> <td colspan="3"><b>Grand Total</b></td> </tr> <tr> <td>HDFC Bank Ltd.</td> <td>P1+</td> <td>2.08%</td> <td colspan="3"><b>100%</b></td> </tr> <tr> <td>Usha Martin Ltd.</td> <td>PR1+</td> <td>1.01%</td> <td colspan="3"></td> </tr> <tr> <td>Morgan Stanley India Capital Ltd.</td> <td>F1+(ind)</td> <td>0.99%</td> <td colspan="3"></td> </tr> <tr> <td>Tata Motors Ltd.</td> <td>A1+</td> <td>0.91%</td> <td colspan="3"></td> </tr> <tr> <td>Reliance Capital Ltd.</td> <td>A1+</td> <td>0.49%</td> <td colspan="3"></td> </tr> <tr> <td colspan="3"><b>Corporate Debt/Financial Institutions - Total</b></td> <td colspan="3"><b>36.65%</b></td> </tr> <tr> <td colspan="3"><b>Public Sector Undertakings</b></td> <td colspan="3"></td> </tr> <tr> <td>Allahabad Bank</td> <td>P1+</td> <td>10.96%</td> <td colspan="3"></td> </tr> <tr> <td>Andhra Bank</td> <td>P1+</td> <td>9.71%</td> <td colspan="3"></td> </tr> <tr> <td>Punjab National Bank</td> <td>P1+</td> <td>4.43%</td> <td colspan="3"></td> </tr> <tr> <td>Corporation Bank</td> <td>P1+</td> <td>3.40%</td> <td colspan="3"></td> </tr> <tr> <td>Punjab &amp; Sind Bank</td> <td>P1+</td> <td>3.10%</td> <td colspan="3"></td> </tr> <tr> <td>Bank Of Baroda</td> <td>P1+</td> <td>3.03%</td> <td colspan="3"></td> </tr> <tr> <td colspan="3"><b>Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments: 0.27 years</b></td> <td colspan="3"><b>Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments: 0.17 years</b></td> </tr> <tr> <td colspan="3">Total NPA provided and percentage to NAV: NIL</td> <td colspan="3">Total NPA provided and percentage to NAV: NIL</td> </tr> </tbody> </table>	Issuer/ Instrument	Industry/ Rating	% to Net Assets	Issuer/ Instrument	Industry/ Rating	% to Net Assets	<b>Debt Instruments</b>			Canara Bank	P1+	2.32%	<b>Debentures and Bonds</b>			State Bank of Travancore	P1+	1.65%	<b>Corporate Debt/Financial Institutions</b>			Indian Bank	P1+	1.63%	Tech Mahindra Ltd.	CARE AAA	2.31%	Syndicate Bank	P1+	1.62%	Corporate Debt Trust 2010 - 11 Srs 2 Class A1 21/02/11 (Shriram Transport Finance Co Ltd.)	A1+(SO)	0.94%	IDBI Home Finance	A1+	1.49%	Shriram Transport Finance Co Ltd.	AA(ind)	0.70%	Bank of India	P1+	1.46%	Infrastructure Development Finance Co. Ltd.	AAA(ind)	0.01%	Central Bank Of India	P1+	1.21%	<b>Corporate Debt/Financial Institutions - Total</b>			IDBI Bank Ltd.	P1+	0.62%	<b>Public Sector Undertakings - Total</b>			IDBI Bank Ltd.	A1+	0.33%	<b>Reverse Repo</b>			UCO Bank	P1+	0.33%	<b>Money Market Instruments</b>			Oriental Bank of Commerce	P1+	0.23%	<b>Commercial Paper(CP)/Certificate of Deposits(CD)</b>			<b>Public Sector Undertakings - Total</b>			<b>Corporate Debt/Financial Institutions</b>			<b>Reverse Repo</b>			Tata Motors Ltd.	P1+	7.44%	<b>TERM DEPOSITS</b>			Muthoot Finance Ltd.	P1+	6.13%	Indusind Bank Ltd			Edelweiss Capital Ltd.	P1+	5.55%	The South Indian Bank Limited			Federal Bank Ltd.	P1+	4.74%	<b>Term Deposits - Total</b>			South Indian Bank Ltd.	PR1+	4.05%	<b>Net Current Assets/(Liabilities)</b>			TATA Capital Ltd.	A1+	3.26%	<b>Grand Total</b>			HDFC Bank Ltd.	P1+	2.08%	<b>100%</b>			Usha Martin Ltd.	PR1+	1.01%				Morgan Stanley India Capital Ltd.	F1+(ind)	0.99%				Tata Motors Ltd.	A1+	0.91%				Reliance Capital Ltd.	A1+	0.49%				<b>Corporate Debt/Financial Institutions - Total</b>			<b>36.65%</b>			<b>Public Sector Undertakings</b>						Allahabad Bank	P1+	10.96%				Andhra Bank	P1+	9.71%				Punjab National Bank	P1+	4.43%				Corporation Bank	P1+	3.40%				Punjab & Sind Bank	P1+	3.10%				Bank Of Baroda	P1+	3.03%				<b>Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments: 0.27 years</b>			<b>Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments: 0.17 years</b>			Total NPA provided and percentage to NAV: NIL			Total NPA provided and percentage to NAV: NIL			<table border="1" style="width: 100%; font-size: x-small;"> <thead> <tr> <th>Issuer/ Instrument</th> <th>Industry/ Rating</th> <th>% to Net Assets</th> </tr> </thead> <tbody> <tr> <td colspan="3"><b>Money Market Instruments</b></td> </tr> <tr> <td colspan="3"><b>Commercial Paper(CP)/Certificate of Deposits(CD)</b></td> </tr> <tr> <td colspan="3"><b>Corporate Debt/Financial Institutions</b></td> </tr> <tr> <td>TATA Capital Ltd.</td> <td>A1+</td> <td>5.13%</td> </tr> <tr> <td>L &amp; T Finance Limited</td> <td>PR1+</td> <td>4.12%</td> </tr> <tr> <td>Religare Finvest Ltd.</td> <td>A1+</td> <td>3.10%</td> </tr> <tr> <td>ICICI Bank Ltd.</td> <td>A1+</td> <td>3.07%</td> </tr> <tr> <td>Federal Bank Ltd.</td> <td>P1+</td> <td>1.90%</td> </tr> <tr> <td>ING Vysya Bank Ltd.</td> <td>P1+</td> <td>1.34%</td> </tr> <tr> <td>Reliance Capital Ltd.</td> <td>A1+</td> <td>0.41%</td> </tr> <tr> <td colspan="3"><b>Corporate Debt/Financial Institutions - Total</b></td> </tr> <tr> <td colspan="3"><b>19.07%</b></td> </tr> <tr> <td colspan="3"><b>Public Sector Undertakings</b></td> </tr> <tr> <td>UCO Bank</td> <td>P1+</td> <td>11.49%</td> </tr> <tr> <td>Punjab National Bank</td> <td>P1+</td> <td>9.93%</td> </tr> <tr> <td>Bank of Maharashtra</td> <td>P1+</td> <td>7.92%</td> </tr> <tr> <td>Indian Oil Corporation Ltd.</td> <td>P1+</td> <td>6.90%</td> </tr> <tr> <td>Central Bank Of India</td> <td>P1+</td> <td>6.40%</td> </tr> <tr> <td>Andhra Bank</td> <td>P1+</td> <td>3.89%</td> </tr> <tr> <td>IDBI Bank Ltd.</td> <td>P1+</td> <td>3.07%</td> </tr> <tr> <td>Syndicate Bank</td> <td>P1+</td> <td>2.35%</td> </tr> <tr> <td>Allahabad Bank</td> <td>P1+</td> <td>1.55%</td> </tr> <tr> <td>State Bank of Travancore</td> <td>P1+</td> <td>0.73%</td> </tr> <tr> <td>Oriental Bank of Commerce</td> <td>P1+</td> <td>0.41%</td> </tr> <tr> <td>IDBI Bank Ltd.</td> <td>A1+</td> <td>0.26%</td> </tr> <tr> <td colspan="3"><b>Public Sector Undertakings - Total</b></td> </tr> <tr> <td colspan="3"><b>54.90%</b></td> </tr> <tr> <td colspan="3"><b>TERM DEPOSITS</b></td> </tr> <tr> <td>Indusind Bank Ltd.</td> <td></td> <td>26.02%</td> </tr> <tr> <td colspan="3"><b>Term Deposits - Total</b></td> </tr> <tr> <td colspan="3"><b>26.02%</b></td> </tr> <tr> <td colspan="3"><b>Net Current Assets/(Liabilities)</b></td> </tr> <tr> <td colspan="3"><b>0.01%</b></td> </tr> <tr> <td colspan="3"><b>Grand Total</b></td> </tr> <tr> <td colspan="3"><b>100%</b></td> </tr> </tbody> </table>	Issuer/ Instrument	Industry/ Rating	% to Net Assets	<b>Money Market Instruments</b>			<b>Commercial Paper(CP)/Certificate of Deposits(CD)</b>			<b>Corporate Debt/Financial Institutions</b>			TATA Capital Ltd.	A1+	5.13%	L & T Finance Limited	PR1+	4.12%	Religare Finvest Ltd.	A1+	3.10%	ICICI Bank Ltd.	A1+	3.07%	Federal Bank Ltd.	P1+	1.90%	ING Vysya Bank Ltd.	P1+	1.34%	Reliance Capital Ltd.	A1+	0.41%	<b>Corporate Debt/Financial Institutions - Total</b>			<b>19.07%</b>			<b>Public Sector Undertakings</b>			UCO Bank	P1+	11.49%	Punjab National Bank	P1+	9.93%	Bank of Maharashtra	P1+	7.92%	Indian Oil Corporation Ltd.	P1+	6.90%	Central Bank Of India	P1+	6.40%	Andhra Bank	P1+	3.89%	IDBI Bank Ltd.	P1+	3.07%	Syndicate Bank	P1+	2.35%	Allahabad Bank	P1+	1.55%	State Bank of Travancore	P1+	0.73%	Oriental Bank of Commerce	P1+	0.41%	IDBI Bank Ltd.	A1+	0.26%	<b>Public Sector Undertakings - Total</b>			<b>54.90%</b>			<b>TERM DEPOSITS</b>			Indusind Bank Ltd.		26.02%	<b>Term Deposits - Total</b>			<b>26.02%</b>			<b>Net Current Assets/(Liabilities)</b>			<b>0.01%</b>			<b>Grand Total</b>			<b>100%</b>		
Issuer/ Instrument	Industry/ Rating	% to Net Assets	Issuer/ Instrument	Industry/ Rating	% to Net Assets																																																																																																																																																																																																																																																																																																																											
<b>Debt Instruments</b>			Canara Bank	P1+	2.32%																																																																																																																																																																																																																																																																																																																											
<b>Debentures and Bonds</b>			State Bank of Travancore	P1+	1.65%																																																																																																																																																																																																																																																																																																																											
<b>Corporate Debt/Financial Institutions</b>			Indian Bank	P1+	1.63%																																																																																																																																																																																																																																																																																																																											
Tech Mahindra Ltd.	CARE AAA	2.31%	Syndicate Bank	P1+	1.62%																																																																																																																																																																																																																																																																																																																											
Corporate Debt Trust 2010 - 11 Srs 2 Class A1 21/02/11 (Shriram Transport Finance Co Ltd.)	A1+(SO)	0.94%	IDBI Home Finance	A1+	1.49%																																																																																																																																																																																																																																																																																																																											
Shriram Transport Finance Co Ltd.	AA(ind)	0.70%	Bank of India	P1+	1.46%																																																																																																																																																																																																																																																																																																																											
Infrastructure Development Finance Co. Ltd.	AAA(ind)	0.01%	Central Bank Of India	P1+	1.21%																																																																																																																																																																																																																																																																																																																											
<b>Corporate Debt/Financial Institutions - Total</b>			IDBI Bank Ltd.	P1+	0.62%																																																																																																																																																																																																																																																																																																																											
<b>Public Sector Undertakings - Total</b>			IDBI Bank Ltd.	A1+	0.33%																																																																																																																																																																																																																																																																																																																											
<b>Reverse Repo</b>			UCO Bank	P1+	0.33%																																																																																																																																																																																																																																																																																																																											
<b>Money Market Instruments</b>			Oriental Bank of Commerce	P1+	0.23%																																																																																																																																																																																																																																																																																																																											
<b>Commercial Paper(CP)/Certificate of Deposits(CD)</b>			<b>Public Sector Undertakings - Total</b>																																																																																																																																																																																																																																																																																																																													
<b>Corporate Debt/Financial Institutions</b>			<b>Reverse Repo</b>																																																																																																																																																																																																																																																																																																																													
Tata Motors Ltd.	P1+	7.44%	<b>TERM DEPOSITS</b>																																																																																																																																																																																																																																																																																																																													
Muthoot Finance Ltd.	P1+	6.13%	Indusind Bank Ltd																																																																																																																																																																																																																																																																																																																													
Edelweiss Capital Ltd.	P1+	5.55%	The South Indian Bank Limited																																																																																																																																																																																																																																																																																																																													
Federal Bank Ltd.	P1+	4.74%	<b>Term Deposits - Total</b>																																																																																																																																																																																																																																																																																																																													
South Indian Bank Ltd.	PR1+	4.05%	<b>Net Current Assets/(Liabilities)</b>																																																																																																																																																																																																																																																																																																																													
TATA Capital Ltd.	A1+	3.26%	<b>Grand Total</b>																																																																																																																																																																																																																																																																																																																													
HDFC Bank Ltd.	P1+	2.08%	<b>100%</b>																																																																																																																																																																																																																																																																																																																													
Usha Martin Ltd.	PR1+	1.01%																																																																																																																																																																																																																																																																																																																														
Morgan Stanley India Capital Ltd.	F1+(ind)	0.99%																																																																																																																																																																																																																																																																																																																														
Tata Motors Ltd.	A1+	0.91%																																																																																																																																																																																																																																																																																																																														
Reliance Capital Ltd.	A1+	0.49%																																																																																																																																																																																																																																																																																																																														
<b>Corporate Debt/Financial Institutions - Total</b>			<b>36.65%</b>																																																																																																																																																																																																																																																																																																																													
<b>Public Sector Undertakings</b>																																																																																																																																																																																																																																																																																																																																
Allahabad Bank	P1+	10.96%																																																																																																																																																																																																																																																																																																																														
Andhra Bank	P1+	9.71%																																																																																																																																																																																																																																																																																																																														
Punjab National Bank	P1+	4.43%																																																																																																																																																																																																																																																																																																																														
Corporation Bank	P1+	3.40%																																																																																																																																																																																																																																																																																																																														
Punjab & Sind Bank	P1+	3.10%																																																																																																																																																																																																																																																																																																																														
Bank Of Baroda	P1+	3.03%																																																																																																																																																																																																																																																																																																																														
<b>Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments: 0.27 years</b>			<b>Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments: 0.17 years</b>																																																																																																																																																																																																																																																																																																																													
Total NPA provided and percentage to NAV: NIL			Total NPA provided and percentage to NAV: NIL																																																																																																																																																																																																																																																																																																																													
Issuer/ Instrument	Industry/ Rating	% to Net Assets																																																																																																																																																																																																																																																																																																																														
<b>Money Market Instruments</b>																																																																																																																																																																																																																																																																																																																																
<b>Commercial Paper(CP)/Certificate of Deposits(CD)</b>																																																																																																																																																																																																																																																																																																																																
<b>Corporate Debt/Financial Institutions</b>																																																																																																																																																																																																																																																																																																																																
TATA Capital Ltd.	A1+	5.13%																																																																																																																																																																																																																																																																																																																														
L & T Finance Limited	PR1+	4.12%																																																																																																																																																																																																																																																																																																																														
Religare Finvest Ltd.	A1+	3.10%																																																																																																																																																																																																																																																																																																																														
ICICI Bank Ltd.	A1+	3.07%																																																																																																																																																																																																																																																																																																																														
Federal Bank Ltd.	P1+	1.90%																																																																																																																																																																																																																																																																																																																														
ING Vysya Bank Ltd.	P1+	1.34%																																																																																																																																																																																																																																																																																																																														
Reliance Capital Ltd.	A1+	0.41%																																																																																																																																																																																																																																																																																																																														
<b>Corporate Debt/Financial Institutions - Total</b>																																																																																																																																																																																																																																																																																																																																
<b>19.07%</b>																																																																																																																																																																																																																																																																																																																																
<b>Public Sector Undertakings</b>																																																																																																																																																																																																																																																																																																																																
UCO Bank	P1+	11.49%																																																																																																																																																																																																																																																																																																																														
Punjab National Bank	P1+	9.93%																																																																																																																																																																																																																																																																																																																														
Bank of Maharashtra	P1+	7.92%																																																																																																																																																																																																																																																																																																																														
Indian Oil Corporation Ltd.	P1+	6.90%																																																																																																																																																																																																																																																																																																																														
Central Bank Of India	P1+	6.40%																																																																																																																																																																																																																																																																																																																														
Andhra Bank	P1+	3.89%																																																																																																																																																																																																																																																																																																																														
IDBI Bank Ltd.	P1+	3.07%																																																																																																																																																																																																																																																																																																																														
Syndicate Bank	P1+	2.35%																																																																																																																																																																																																																																																																																																																														
Allahabad Bank	P1+	1.55%																																																																																																																																																																																																																																																																																																																														
State Bank of Travancore	P1+	0.73%																																																																																																																																																																																																																																																																																																																														
Oriental Bank of Commerce	P1+	0.41%																																																																																																																																																																																																																																																																																																																														
IDBI Bank Ltd.	A1+	0.26%																																																																																																																																																																																																																																																																																																																														
<b>Public Sector Undertakings - Total</b>																																																																																																																																																																																																																																																																																																																																
<b>54.90%</b>																																																																																																																																																																																																																																																																																																																																
<b>TERM DEPOSITS</b>																																																																																																																																																																																																																																																																																																																																
Indusind Bank Ltd.		26.02%																																																																																																																																																																																																																																																																																																																														
<b>Term Deposits - Total</b>																																																																																																																																																																																																																																																																																																																																
<b>26.02%</b>																																																																																																																																																																																																																																																																																																																																
<b>Net Current Assets/(Liabilities)</b>																																																																																																																																																																																																																																																																																																																																
<b>0.01%</b>																																																																																																																																																																																																																																																																																																																																
<b>Grand Total</b>																																																																																																																																																																																																																																																																																																																																
<b>100%</b>																																																																																																																																																																																																																																																																																																																																
<b>Sector Allocation</b>	Commercial Paper (CP)/Certificate of Deposits (CD) 84.17% CBLO & Term Deposits & Rev.Repo 18.41% Debentures and Bonds 3.96% Net Current Assets -6.54%	Commercial Paper (CP)/Certificate of Deposits (CD) 73.97% CBLO & Term Deposits & Rev.Repo 26.02% Net Current Assets 0.01%																																																																																																																																																																																																																																																																																																																														
<b>Rating Profile</b>	A1+, A1+(SO), AAA(ind), CARE AAA, F1+(ind), P1+, PR1+ 87.43% CBLO & Term Deposits & Rev.Repo 18.41% AA(ind) 0.7% Net Current Assets -6.54%	A1+, P1+, PR1+ 73.97% CBLO & Term Deposits & Rev.Repo 26.02% Net Current Assets 0.01%																																																																																																																																																																																																																																																																																																																														

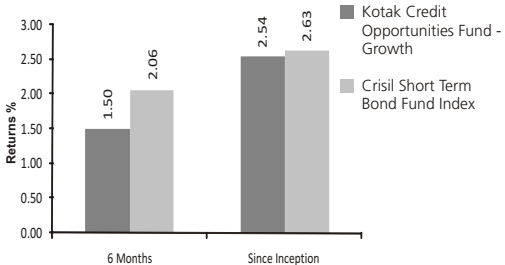
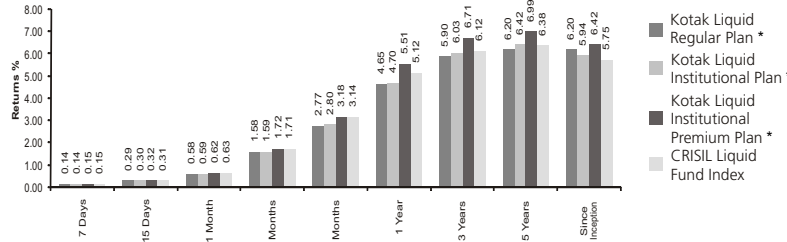
# DEBT FUNDS

(As on December 31, 2010)

Scheme Name	KOTAK INCOME PLUS			KOTAK FLEXI DEBT																																																																																																																																																																																																																																																	
	An Open - Ended Income Scheme			An Open - Ended Debt Scheme																																																																																																																																																																																																																																																	
<b>Investment Objective</b>	To enhance returns over a portfolio of Debt Instruments with a moderate exposure in Equity and Equity related Instruments.			To maximize returns through an active management of a portfolio of debt and money market securities.																																																																																																																																																																																																																																																	
<b>Available Plans/Options</b>	Dividend Payout, Dividend Reinvestment & Growth			<b>Plans-</b> (a) Regular, (b) Institutional. <b>Options</b> - (a) Regular: Dividend Payout, Dividend Reinvestment & Growth (b) Institutional: Dividend Reinvestment & Growth																																																																																																																																																																																																																																																	
<b>Dividend Freq.</b>	Monthly (12th of every Mth) Quarterly (20th of Mar/Jun/Sep/Dec)			<b>Regular Plan-</b> Daily Dividend Reinvestment, Weekly Dividend Reinvestment (Every Monday) Quarterly Dividend (Payout & Reinvest-ment)(20th of Mar/Jun/Sep/Dec), <b>Institutional Plan-</b> Daily Dividend Reinvestment, Weekly Dividend Reinvestment (Every Monday)																																																																																																																																																																																																																																																	
<b>Fund Managers</b>	Mr. Pankaj Tibrewal, Mr. Krishna Sanghvi & Mr. Abhishek Bisen.			Mr. Deepak Agrawal & Mr. Abhishek Bisen																																																																																																																																																																																																																																																	
<b>Load Structure</b>	<b>Entry Load</b>	Nil.			<b>(a) Regular Plan - Entry:</b> Nil. <b>(b) Institutional Plan - Entry:</b> Nil.																																																																																																																																																																																																																																																
	<b>Exit Load</b>	For redemptions / switch outs (including SIP/STP) within 1 year from the date of allotment of units, irrespective of the amount of investment: 1%			<b>(a) Regular Plan - Exit:</b> Nil. <b>(b) Institutional Plan - Exit:</b> Nil.																																																																																																																																																																																																																																																
<b>Minimum Investment Amount</b>	<b>Initial Investment:</b> (i) Dividend Re-investment & Growth and Dividend Payout (Quarterly) - Rs. 5000 & above (ii) Dividend Payout (Monthly) - Rs. 50,000 & above <b>Additional Investment:</b> Rs. 1000 & in multiples of Re1 <b>Ideal Investments Horizon</b> - 1-3 years			<b>Initial Investment: (a) Regular Plan-</b> (i) Rs. 5000/- under Growth, Weekly Dividend and Quarterly Dividend Options. (ii) Rs. 1,00,000/- under Daily Dividend Option. <b>(b) Institutional Plan</b> - Rs. 1,00,00,000/- <b>Additional Investment:</b> (a) & (b) Rs.1000 & in Multiples of Re.1 <b>Ideal Investments Horizon</b> - 7 Days																																																																																																																																																																																																																																																	
<b>Corpus &amp; Ratios</b>	<b>Corpus:</b> Rs. 174.08 crores. <b>Ratios:</b> Standard Deviation*: 5.96 Sharpe*: -0.47 Beta*: 0.69 Alpha*: -3.55 YTM: 9.50% *Source: Value Research. Portfolio Modified Duration: 0.91 yrs			<b>(a) Regular Plan - Corpus:</b> Rs.213.33 crores. <b>Ratios:</b> Standard Deviation*: 0.11 Sharpe*: 6.64 Beta*: 0.00 Alpha*: 0.70 <b>(b) Institutional Plan - Corpus:</b> Rs. 900.68 crores. <b>Ratios:</b> Standard Deviation*: 0.12 Sharpe*: 13.86 Beta*: 0.00 Alpha*: 1.69 YTM: 8.50% *Source: Value Research. Portfolio Modified Duration: 0.41 yrs																																																																																																																																																																																																																																																	
<b>Benchmark</b>	CRISIL MIP Blended Index			CRISIL Composite Bond Index																																																																																																																																																																																																																																																	
<b>Inception Date</b>	December 02, 2003			Regular Plan - December 06, 2004, Institutional Plan - May 26, 2008																																																																																																																																																																																																																																																	
<b>Performance as on December 31, 2010</b>	<p>Kotak Income Plus NAV - Rs. 15.6185 (Growth Option), Rs. 10.1562 (Monthly Dividend), Rs. 10.3913 (Quarterly Dividend) *All payouts during the period have been reinvested in the units of the scheme at the then prevailing NAV. Returns &lt;= 1 year: Absolute; Returns &gt; 1 year: CAGR (Compounded Annualised Growth Rate). Past performance may or may not be sustained in future.</p>			<p>The benchmark returns corresponds to Kotak Flexi Debt Regular Plan Kotak Flexi Debt Regular NAV: Rs. 14.8606 (Growth Option), Rs. 10.0891 (Daily Dividend), Rs. 10.042 (Weekly Dividend), Rs. 10.2994 (Quarterly Dividend) Kotak Flexi Debt Institutional Plan NAV: Rs. 11.8385 (Growth Option), Rs. 10.0475 (Daily Dividend), Rs. 10.3197 (Weekly Dividend) *All payouts during the period have been reinvested in the units of the scheme at the then prevailing NAV. Returns &lt;= 1 year: Absolute; Returns &gt; 1 year: CAGR (Compounded Annualised Growth Rate). Past performance may or may not be sustained in future.</p>																																																																																																																																																																																																																																																	
<b>Portfolio</b>	<table border="1"> <thead> <tr> <th>Issuer/ Instrument</th> <th>Industry/ Rating</th> <th>% to Net Assets</th> </tr> </thead> <tbody> <tr><td>State Bank Of India</td><td>Banks</td><td>1.03%</td></tr> <tr><td>ICICI Bank Ltd.</td><td>Banks</td><td>1.02%</td></tr> <tr><td>MOLL Limited</td><td>Mining</td><td>0.90%</td></tr> <tr><td>Axis Bank Ltd.</td><td>Banks</td><td>0.81%</td></tr> <tr><td>Coal India Ltd.</td><td>Minerals/Mining</td><td>0.72%</td></tr> <tr><td>Tata Consultancy Services Ltd.</td><td>Software</td><td>0.71%</td></tr> <tr><td>Power Grid Corporation Of India Ltd.</td><td>Power</td><td>0.68%</td></tr> <tr><td>Zodiac Clothing Company Ltd.</td><td>Textile Products</td><td>0.63%</td></tr> <tr><td>Oriental Bank of Commerce</td><td>Banks</td><td>0.56%</td></tr> <tr><td>Jet Airways (India) Ltd.</td><td>Transportation</td><td>0.55%</td></tr> <tr><td>Others</td><td></td><td>11.35%</td></tr> <tr><td><b>Listed/Awaiting Listing on Stock Exchange - Total</b></td><td></td><td><b>18.96%</b></td></tr> <tr><td><b>Debt Instruments</b></td><td></td><td></td></tr> <tr><td><b>Debentures and Bonds</b></td><td></td><td></td></tr> <tr><td><b>Corporate Debt/Financial Institutions</b></td><td></td><td></td></tr> <tr><td>ICICI Securities Primary Dealership Ltd.</td><td>AAA</td><td>13.65%</td></tr> <tr><td>Aditya Birla Nuvo Limited</td><td>LAA+</td><td>13.58%</td></tr> <tr><td>Shriram Transport Finance Co Ltd.</td><td>AA(ind)</td><td>10.75%</td></tr> <tr><td>Sundaram BNP Paribas Home Finance Ltd.</td><td>CARE AA+</td><td>8.42%</td></tr> <tr><td>Reliance Capital Ltd.</td><td>CARE AAA</td><td>6.84%</td></tr> <tr><td>Tech Mahindra Ltd.</td><td>CARE AAA</td><td>5.98%</td></tr> <tr><td>Shriram Transport Finance Co Ltd.</td><td>CARE AA+</td><td>2.86%</td></tr> <tr><td>HDFC Ltd.</td><td>LAAA</td><td>2.85%</td></tr> <tr><td>Infrastructure Development Finance Co. Ltd.</td><td>AAA(ind)</td><td>2.81%</td></tr> <tr><td><b>Corporate Debt/Financial Institutions - Total</b></td><td></td><td><b>67.74%</b></td></tr> <tr><td><b>Public Sector Undertakings</b></td><td></td><td></td></tr> <tr><td>Union Bank of India</td><td>AA+</td><td>5.13%</td></tr> <tr><td>Power Finance Corporation Ltd.</td><td>AAA</td><td>1.10%</td></tr> <tr><td><b>Public Sector Undertakings - Total</b></td><td></td><td><b>6.23%</b></td></tr> <tr><td><b>Money Market Instruments</b></td><td></td><td></td></tr> <tr><td><b>Commercial Paper(CP)/Certificate of Deposits(CD)</b></td><td></td><td></td></tr> <tr><td><b>Corporate Debt/Financial Institutions</b></td><td></td><td></td></tr> <tr><td>Tata Teleservices Limited</td><td>Pr1+</td><td>1.11%</td></tr> <tr><td><b>Corporate Debt/Financial Institutions - Total</b></td><td></td><td><b>1.11%</b></td></tr> <tr><td><b>Net Current Assets/(Liabilities)</b></td><td></td><td><b>5.96%</b></td></tr> <tr><td><b>Grand Total</b></td><td></td><td><b>100%</b></td></tr> </tbody> </table> <p>Average Maturity of the portfolio based on total maturity of fixed rate &amp; immediate reset date of floating rate instruments: 1.15 years</p> <p>Total NPA provided and percentage to NAV: Nil</p>	Issuer/ Instrument	Industry/ Rating	% to Net Assets	State Bank Of India	Banks	1.03%	ICICI Bank Ltd.	Banks	1.02%	MOLL Limited	Mining	0.90%	Axis Bank Ltd.	Banks	0.81%	Coal India Ltd.	Minerals/Mining	0.72%	Tata Consultancy Services Ltd.	Software	0.71%	Power Grid Corporation Of India Ltd.	Power	0.68%	Zodiac Clothing Company Ltd.	Textile Products	0.63%	Oriental Bank of Commerce	Banks	0.56%	Jet Airways (India) Ltd.	Transportation	0.55%	Others		11.35%	<b>Listed/Awaiting Listing on Stock Exchange - Total</b>		<b>18.96%</b>	<b>Debt Instruments</b>			<b>Debentures and Bonds</b>			<b>Corporate Debt/Financial Institutions</b>			ICICI Securities Primary Dealership Ltd.	AAA	13.65%	Aditya Birla Nuvo Limited	LAA+	13.58%	Shriram Transport Finance Co Ltd.	AA(ind)	10.75%	Sundaram BNP Paribas Home Finance Ltd.	CARE AA+	8.42%	Reliance Capital Ltd.	CARE AAA	6.84%	Tech Mahindra Ltd.	CARE AAA	5.98%	Shriram Transport Finance Co Ltd.	CARE AA+	2.86%	HDFC Ltd.	LAAA	2.85%	Infrastructure Development Finance Co. Ltd.	AAA(ind)	2.81%	<b>Corporate Debt/Financial Institutions - Total</b>		<b>67.74%</b>	<b>Public Sector Undertakings</b>			Union Bank of India	AA+	5.13%	Power Finance Corporation Ltd.	AAA	1.10%	<b>Public Sector Undertakings - Total</b>		<b>6.23%</b>	<b>Money Market Instruments</b>			<b>Commercial Paper(CP)/Certificate of Deposits(CD)</b>			<b>Corporate Debt/Financial Institutions</b>			Tata Teleservices Limited	Pr1+	1.11%	<b>Corporate Debt/Financial Institutions - Total</b>		<b>1.11%</b>	<b>Net Current Assets/(Liabilities)</b>		<b>5.96%</b>	<b>Grand Total</b>		<b>100%</b>	<table border="1"> <thead> <tr> <th>Issuer/ Instrument</th> <th>Industry/ Rating</th> <th>% to Net Assets</th> </tr> </thead> <tbody> <tr><td><b>Debt Instruments</b></td><td></td><td></td></tr> <tr><td><b>Debentures and Bonds</b></td><td></td><td></td></tr> <tr><td><b>Corporate Debt/Financial Institutions</b></td><td></td><td></td></tr> <tr><td>Tata Steel Limited</td><td>AA(ind)</td><td>8.54%</td></tr> <tr><td>Shriram Transport Finance Co Ltd.</td><td>AA(ind)</td><td>5.06%</td></tr> <tr><td>Corporate Debt Trust 2010 - 11 Srs 2 Class A1 21/02/11 (Shriram Transport Finance Co Ltd.)</td><td>A1+(SO)</td><td>5.03%</td></tr> <tr><td>HDFC Ltd.</td><td>AAA</td><td>4.48%</td></tr> <tr><td>Mahindra &amp; Mahindra Ltd.</td><td>LAA+</td><td>2.69%</td></tr> <tr><td>Deutsche PostBank Home Finance Ltd.</td><td>LAA+</td><td>2.19%</td></tr> <tr><td>Kotak Mahindra Prime Ltd.</td><td>P1+</td><td>0.71%</td></tr> <tr><td>Kotak Mahindra Prime Ltd.</td><td>LAA</td><td>0.48%</td></tr> <tr><td>Corporate Debt Trust 2010 - 11 Srs 2 Class A2 21/02/11 (Shriram Transport Finance Co Ltd.)</td><td>A1+(SO)</td><td>0.20%</td></tr> <tr><td>Infrastructure Development Finance Co. Ltd.</td><td>AA+</td><td>0.01%</td></tr> <tr><td><b>Corporate Debt/Financial Institutions - Total</b></td><td></td><td><b>29.39%</b></td></tr> <tr><td><b>Money Market Instruments</b></td><td></td><td></td></tr> <tr><td><b>Commercial Paper(CP)/Certificate of Deposits(CD)</b></td><td></td><td></td></tr> <tr><td><b>Corporate Debt/Financial Institutions</b></td><td></td><td></td></tr> <tr><td>Federal Bank Ltd.</td><td>P1+</td><td>9.31%</td></tr> <tr><td>Reliance Capital Ltd.</td><td>A1+</td><td>5.39%</td></tr> <tr><td>JM Financial Products Private Limited</td><td>P1+</td><td>2.61%</td></tr> <tr><td>Usha Martin Ltd.</td><td>PR1+</td><td>2.20%</td></tr> <tr><td>Religare Finvest Ltd.</td><td>A1+</td><td>1.59%</td></tr> <tr><td>ICICI Bank Ltd.</td><td>A1+</td><td>0.44%</td></tr> <tr><td>TATA Capital Ltd.</td><td>A1+</td><td>0.44%</td></tr> <tr><td>Tata Motors Ltd.</td><td>P1+</td><td>0.26%</td></tr> <tr><td>Tata Teleservices Limited</td><td>PR1+</td><td>0.09%</td></tr> <tr><td><b>Corporate Debt/Financial Institutions - Total</b></td><td></td><td><b>22.33%</b></td></tr> <tr><td><b>Public Sector Undertakings</b></td><td></td><td></td></tr> <tr><td>Corporation Bank</td><td>P1+</td><td>9.62%</td></tr> <tr><td>Punjab National Bank</td><td>P1+</td><td>8.88%</td></tr> <tr><td>Central Bank Of India</td><td>P1+</td><td>4.45%</td></tr> <tr><td>IDBI Bank Ltd.</td><td>P1+</td><td>4.25%</td></tr> <tr><td>Union Bank of India</td><td>P1+</td><td>2.20%</td></tr> <tr><td>State Bank of India.</td><td>P1+</td><td>2.15%</td></tr> <tr><td>Punjab &amp; Sind Bank</td><td>P1+</td><td>2.06%</td></tr> <tr><td>State Bank of Mysore</td><td>P1+</td><td>1.17%</td></tr> <tr><td>Bank of India</td><td>P1+</td><td>0.88%</td></tr> <tr><td><b>Public Sector Undertakings - Total</b></td><td></td><td><b>35.66%</b></td></tr> <tr><td><b>TERM DEPOSITS</b></td><td></td><td></td></tr> <tr><td>The South Indian Bank Limited</td><td></td><td>8.08%</td></tr> <tr><td><b>Term Deposits - Total</b></td><td></td><td><b>8.08%</b></td></tr> <tr><td><b>Net Current Assets/(Liabilities)</b></td><td></td><td><b>4.54%</b></td></tr> <tr><td><b>Grand Total</b></td><td></td><td><b>100%</b></td></tr> </tbody> </table> <p>Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments: 0.42 years</p> <p>Total NPA provided and percentage to NAV: NIL</p>	Issuer/ Instrument	Industry/ Rating	% to Net Assets	<b>Debt Instruments</b>			<b>Debentures and Bonds</b>			<b>Corporate Debt/Financial Institutions</b>			Tata Steel Limited	AA(ind)	8.54%	Shriram Transport Finance Co Ltd.	AA(ind)	5.06%	Corporate Debt Trust 2010 - 11 Srs 2 Class A1 21/02/11 (Shriram Transport Finance Co Ltd.)	A1+(SO)	5.03%	HDFC Ltd.	AAA	4.48%	Mahindra & Mahindra Ltd.	LAA+	2.69%	Deutsche PostBank Home Finance Ltd.	LAA+	2.19%	Kotak Mahindra Prime Ltd.	P1+	0.71%	Kotak Mahindra Prime Ltd.	LAA	0.48%	Corporate Debt Trust 2010 - 11 Srs 2 Class A2 21/02/11 (Shriram Transport Finance Co Ltd.)	A1+(SO)	0.20%	Infrastructure Development Finance Co. Ltd.	AA+	0.01%	<b>Corporate Debt/Financial Institutions - Total</b>		<b>29.39%</b>	<b>Money Market Instruments</b>			<b>Commercial Paper(CP)/Certificate of Deposits(CD)</b>			<b>Corporate Debt/Financial Institutions</b>			Federal Bank Ltd.	P1+	9.31%	Reliance Capital Ltd.	A1+	5.39%	JM Financial Products Private Limited	P1+	2.61%	Usha Martin Ltd.	PR1+	2.20%	Religare Finvest Ltd.	A1+	1.59%	ICICI Bank Ltd.	A1+	0.44%	TATA Capital Ltd.	A1+	0.44%	Tata Motors Ltd.	P1+	0.26%	Tata Teleservices Limited	PR1+	0.09%	<b>Corporate Debt/Financial Institutions - Total</b>		<b>22.33%</b>	<b>Public Sector Undertakings</b>			Corporation Bank	P1+	9.62%	Punjab National Bank	P1+	8.88%	Central Bank Of India	P1+	4.45%	IDBI Bank Ltd.	P1+	4.25%	Union Bank of India	P1+	2.20%	State Bank of India.	P1+	2.15%	Punjab & Sind Bank	P1+	2.06%	State Bank of Mysore	P1+	1.17%	Bank of India	P1+	0.88%	<b>Public Sector Undertakings - Total</b>		<b>35.66%</b>	<b>TERM DEPOSITS</b>			The South Indian Bank Limited		8.08%	<b>Term Deposits - Total</b>		<b>8.08%</b>	<b>Net Current Assets/(Liabilities)</b>		<b>4.54%</b>	<b>Grand Total</b>		<b>100%</b>
Issuer/ Instrument	Industry/ Rating	% to Net Assets																																																																																																																																																																																																																																																			
State Bank Of India	Banks	1.03%																																																																																																																																																																																																																																																			
ICICI Bank Ltd.	Banks	1.02%																																																																																																																																																																																																																																																			
MOLL Limited	Mining	0.90%																																																																																																																																																																																																																																																			
Axis Bank Ltd.	Banks	0.81%																																																																																																																																																																																																																																																			
Coal India Ltd.	Minerals/Mining	0.72%																																																																																																																																																																																																																																																			
Tata Consultancy Services Ltd.	Software	0.71%																																																																																																																																																																																																																																																			
Power Grid Corporation Of India Ltd.	Power	0.68%																																																																																																																																																																																																																																																			
Zodiac Clothing Company Ltd.	Textile Products	0.63%																																																																																																																																																																																																																																																			
Oriental Bank of Commerce	Banks	0.56%																																																																																																																																																																																																																																																			
Jet Airways (India) Ltd.	Transportation	0.55%																																																																																																																																																																																																																																																			
Others		11.35%																																																																																																																																																																																																																																																			
<b>Listed/Awaiting Listing on Stock Exchange - Total</b>		<b>18.96%</b>																																																																																																																																																																																																																																																			
<b>Debt Instruments</b>																																																																																																																																																																																																																																																					
<b>Debentures and Bonds</b>																																																																																																																																																																																																																																																					
<b>Corporate Debt/Financial Institutions</b>																																																																																																																																																																																																																																																					
ICICI Securities Primary Dealership Ltd.	AAA	13.65%																																																																																																																																																																																																																																																			
Aditya Birla Nuvo Limited	LAA+	13.58%																																																																																																																																																																																																																																																			
Shriram Transport Finance Co Ltd.	AA(ind)	10.75%																																																																																																																																																																																																																																																			
Sundaram BNP Paribas Home Finance Ltd.	CARE AA+	8.42%																																																																																																																																																																																																																																																			
Reliance Capital Ltd.	CARE AAA	6.84%																																																																																																																																																																																																																																																			
Tech Mahindra Ltd.	CARE AAA	5.98%																																																																																																																																																																																																																																																			
Shriram Transport Finance Co Ltd.	CARE AA+	2.86%																																																																																																																																																																																																																																																			
HDFC Ltd.	LAAA	2.85%																																																																																																																																																																																																																																																			
Infrastructure Development Finance Co. Ltd.	AAA(ind)	2.81%																																																																																																																																																																																																																																																			
<b>Corporate Debt/Financial Institutions - Total</b>		<b>67.74%</b>																																																																																																																																																																																																																																																			
<b>Public Sector Undertakings</b>																																																																																																																																																																																																																																																					
Union Bank of India	AA+	5.13%																																																																																																																																																																																																																																																			
Power Finance Corporation Ltd.	AAA	1.10%																																																																																																																																																																																																																																																			
<b>Public Sector Undertakings - Total</b>		<b>6.23%</b>																																																																																																																																																																																																																																																			
<b>Money Market Instruments</b>																																																																																																																																																																																																																																																					
<b>Commercial Paper(CP)/Certificate of Deposits(CD)</b>																																																																																																																																																																																																																																																					
<b>Corporate Debt/Financial Institutions</b>																																																																																																																																																																																																																																																					
Tata Teleservices Limited	Pr1+	1.11%																																																																																																																																																																																																																																																			
<b>Corporate Debt/Financial Institutions - Total</b>		<b>1.11%</b>																																																																																																																																																																																																																																																			
<b>Net Current Assets/(Liabilities)</b>		<b>5.96%</b>																																																																																																																																																																																																																																																			
<b>Grand Total</b>		<b>100%</b>																																																																																																																																																																																																																																																			
Issuer/ Instrument	Industry/ Rating	% to Net Assets																																																																																																																																																																																																																																																			
<b>Debt Instruments</b>																																																																																																																																																																																																																																																					
<b>Debentures and Bonds</b>																																																																																																																																																																																																																																																					
<b>Corporate Debt/Financial Institutions</b>																																																																																																																																																																																																																																																					
Tata Steel Limited	AA(ind)	8.54%																																																																																																																																																																																																																																																			
Shriram Transport Finance Co Ltd.	AA(ind)	5.06%																																																																																																																																																																																																																																																			
Corporate Debt Trust 2010 - 11 Srs 2 Class A1 21/02/11 (Shriram Transport Finance Co Ltd.)	A1+(SO)	5.03%																																																																																																																																																																																																																																																			
HDFC Ltd.	AAA	4.48%																																																																																																																																																																																																																																																			
Mahindra & Mahindra Ltd.	LAA+	2.69%																																																																																																																																																																																																																																																			
Deutsche PostBank Home Finance Ltd.	LAA+	2.19%																																																																																																																																																																																																																																																			
Kotak Mahindra Prime Ltd.	P1+	0.71%																																																																																																																																																																																																																																																			
Kotak Mahindra Prime Ltd.	LAA	0.48%																																																																																																																																																																																																																																																			
Corporate Debt Trust 2010 - 11 Srs 2 Class A2 21/02/11 (Shriram Transport Finance Co Ltd.)	A1+(SO)	0.20%																																																																																																																																																																																																																																																			
Infrastructure Development Finance Co. Ltd.	AA+	0.01%																																																																																																																																																																																																																																																			
<b>Corporate Debt/Financial Institutions - Total</b>		<b>29.39%</b>																																																																																																																																																																																																																																																			
<b>Money Market Instruments</b>																																																																																																																																																																																																																																																					
<b>Commercial Paper(CP)/Certificate of Deposits(CD)</b>																																																																																																																																																																																																																																																					
<b>Corporate Debt/Financial Institutions</b>																																																																																																																																																																																																																																																					
Federal Bank Ltd.	P1+	9.31%																																																																																																																																																																																																																																																			
Reliance Capital Ltd.	A1+	5.39%																																																																																																																																																																																																																																																			
JM Financial Products Private Limited	P1+	2.61%																																																																																																																																																																																																																																																			
Usha Martin Ltd.	PR1+	2.20%																																																																																																																																																																																																																																																			
Religare Finvest Ltd.	A1+	1.59%																																																																																																																																																																																																																																																			
ICICI Bank Ltd.	A1+	0.44%																																																																																																																																																																																																																																																			
TATA Capital Ltd.	A1+	0.44%																																																																																																																																																																																																																																																			
Tata Motors Ltd.	P1+	0.26%																																																																																																																																																																																																																																																			
Tata Teleservices Limited	PR1+	0.09%																																																																																																																																																																																																																																																			
<b>Corporate Debt/Financial Institutions - Total</b>		<b>22.33%</b>																																																																																																																																																																																																																																																			
<b>Public Sector Undertakings</b>																																																																																																																																																																																																																																																					
Corporation Bank	P1+	9.62%																																																																																																																																																																																																																																																			
Punjab National Bank	P1+	8.88%																																																																																																																																																																																																																																																			
Central Bank Of India	P1+	4.45%																																																																																																																																																																																																																																																			
IDBI Bank Ltd.	P1+	4.25%																																																																																																																																																																																																																																																			
Union Bank of India	P1+	2.20%																																																																																																																																																																																																																																																			
State Bank of India.	P1+	2.15%																																																																																																																																																																																																																																																			
Punjab & Sind Bank	P1+	2.06%																																																																																																																																																																																																																																																			
State Bank of Mysore	P1+	1.17%																																																																																																																																																																																																																																																			
Bank of India	P1+	0.88%																																																																																																																																																																																																																																																			
<b>Public Sector Undertakings - Total</b>		<b>35.66%</b>																																																																																																																																																																																																																																																			
<b>TERM DEPOSITS</b>																																																																																																																																																																																																																																																					
The South Indian Bank Limited		8.08%																																																																																																																																																																																																																																																			
<b>Term Deposits - Total</b>		<b>8.08%</b>																																																																																																																																																																																																																																																			
<b>Net Current Assets/(Liabilities)</b>		<b>4.54%</b>																																																																																																																																																																																																																																																			
<b>Grand Total</b>		<b>100%</b>																																																																																																																																																																																																																																																			
<b>Sector Allocation</b>	<table border="1"> <tbody> <tr><td>Debentures and Bonds</td><td>73.97%</td></tr> <tr><td>Equities</td><td>18.96%</td></tr> <tr><td>Net Current Assets</td><td>5.96%</td></tr> <tr><td>Commercial Paper (CP)/Certificate of Deposits (CD)</td><td>1.11%</td></tr> </tbody> </table>	Debentures and Bonds	73.97%	Equities	18.96%	Net Current Assets	5.96%	Commercial Paper (CP)/Certificate of Deposits (CD)	1.11%	<table border="1"> <tbody> <tr><td>Commercial Paper (CP)/Certificate of Deposits (CD)</td><td>57.99%</td></tr> <tr><td>Debentures and Bonds</td><td>29.39%</td></tr> <tr><td>CBLO &amp; Term Deposits &amp; Rev.Repo</td><td>8.08%</td></tr> <tr><td>Net Current Assets</td><td>4.54%</td></tr> </tbody> </table>	Commercial Paper (CP)/Certificate of Deposits (CD)	57.99%	Debentures and Bonds	29.39%	CBLO & Term Deposits & Rev.Repo	8.08%	Net Current Assets	4.54%																																																																																																																																																																																																																																			
Debentures and Bonds	73.97%																																																																																																																																																																																																																																																				
Equities	18.96%																																																																																																																																																																																																																																																				
Net Current Assets	5.96%																																																																																																																																																																																																																																																				
Commercial Paper (CP)/Certificate of Deposits (CD)	1.11%																																																																																																																																																																																																																																																				
Commercial Paper (CP)/Certificate of Deposits (CD)	57.99%																																																																																																																																																																																																																																																				
Debentures and Bonds	29.39%																																																																																																																																																																																																																																																				
CBLO & Term Deposits & Rev.Repo	8.08%																																																																																																																																																																																																																																																				
Net Current Assets	4.54%																																																																																																																																																																																																																																																				
<b>Rating Profile</b>	<table border="1"> <tbody> <tr><td>AA+, CARE AA+, LAA+, AA(ind)</td><td>40.74%</td></tr> <tr><td>AAA, AAA(ind), CARE AAA, LAAA, PR1+</td><td>34.34%</td></tr> <tr><td>Equities</td><td>18.96%</td></tr> <tr><td>Net Current Assets</td><td>5.96%</td></tr> </tbody> </table>	AA+, CARE AA+, LAA+, AA(ind)	40.74%	AAA, AAA(ind), CARE AAA, LAAA, PR1+	34.34%	Equities	18.96%	Net Current Assets	5.96%	<table border="1"> <tbody> <tr><td>A1+, A1+(SO), AAA, P1+, PR1+</td><td>68.41%</td></tr> <tr><td>AA+, LAA+, AA(ind), LAA</td><td>18.97%</td></tr> <tr><td>CBLO &amp; Term Deposits &amp; Rev.Repo</td><td>8.08%</td></tr> <tr><td>Net Current Assets</td><td>4.54%</td></tr> </tbody> </table>	A1+, A1+(SO), AAA, P1+, PR1+	68.41%	AA+, LAA+, AA(ind), LAA	18.97%	CBLO & Term Deposits & Rev.Repo	8.08%	Net Current Assets	4.54%																																																																																																																																																																																																																																			
AA+, CARE AA+, LAA+, AA(ind)	40.74%																																																																																																																																																																																																																																																				
AAA, AAA(ind), CARE AAA, LAAA, PR1+	34.34%																																																																																																																																																																																																																																																				
Equities	18.96%																																																																																																																																																																																																																																																				
Net Current Assets	5.96%																																																																																																																																																																																																																																																				
A1+, A1+(SO), AAA, P1+, PR1+	68.41%																																																																																																																																																																																																																																																				
AA+, LAA+, AA(ind), LAA	18.97%																																																																																																																																																																																																																																																				
CBLO & Term Deposits & Rev.Repo	8.08%																																																																																																																																																																																																																																																				
Net Current Assets	4.54%																																																																																																																																																																																																																																																				

# DEBT FUNDS

(As on December 31, 2010)

Scheme Name	KOTAK CREDIT OPPORTUNITIES		KOTAK LIQUID																																																																																																																																																																																																																																																																																								
	An Open-Ended Debt Scheme		An Open - Ended Debt Scheme																																																																																																																																																																																																																																																																																								
<b>Investment Objective</b>	The investment objective of the scheme is to generate income by investing in debt /and money market securities across the yield curve and credit spectrum. The scheme would also seek to maintain reasonable liquidity within the fund. There is no assurance that or guarantee that the investment objective of the scheme will be achieved.		To provide reasonable returns and high level of liquidity by investing in debt and money market instruments of different maturities so as to spread risk across different kinds of issuers in the debt markets																																																																																																																																																																																																																																																																																								
<b>Available Options</b>	Dividend Payout, Dividend Reinvestment & Growth		<b>Plans-</b> (a) Regular, (b) Institutional (c) Institutional Premium <b>Options -</b> (a) Dividend Reinvestment & Growth (b) Dividend Reinvestment & Growth (c) Dividend Payout, Dividend Reinvestment & Growth																																																																																																																																																																																																																																																																																								
<b>Dividend Freq.</b>	Weekly (Every Monday), Monthly (12th of every Month), Quarterly (20th of March/June/September/December), Annual (12th of March).		<b>Regular -</b> Weekly (Every Monday) , <b>Institutional -</b> Daily, Weekly (Every Monday) <b>Institutional Premium -</b> Daily, Weekly (Every Monday)																																																																																																																																																																																																																																																																																								
<b>Fund Managers</b>	Mr. Deepak Agrawal & Mr. Abhishek Bisen.		Mr. Deepak Agrawal & Mr. Abhishek Bisen																																																																																																																																																																																																																																																																																								
<b>Load Structure</b>	<b>Entry Load</b>	Nil.	<b>Entry Load</b>	Nil.																																																																																																																																																																																																																																																																																							
	<b>Exit Load</b>	if redeemed/switch-out within 1 year from date of allotment: 2% if redeemed/switch-out after 1 year from the date of allotment : Nil However, load collected in excess of 1% (which is permissible to be changed under SEBI regulations) shall be credited back to the scheme.	<b>Exit Load</b>	Nil.																																																																																																																																																																																																																																																																																							
<b>Minimum Investment Amount</b>	<b>Initial Investment:</b> Rs. 5000 <b>Additional Investment:</b> Rs. 1000 & in Multiples of Re 1 <b>Ideal Investments Horizon :</b> 6 Month and Above		<b>Initial Investment:</b> (a) Regular: Rs. 5000 (b) Institutional: Rs. 1 crore (c) Institutional Premium : Rs. 5 crores. <b>Additional Investment:</b> Rs. 1000 & in multiples of Re1 <b>Ideal Investments Horizon -</b> 7 days to 15 days																																																																																																																																																																																																																																																																																								
<b>Corpus &amp; Ratios</b>	<b>Corpus:</b> Rs. 744.33 crores. <b>YTM:</b> 9.50% <b>Portfolio Modified Duration:</b> 1.01 yrs		<b>(a) Regular Plan - Corpus :</b> Rs. 47.97 crores. <b>Ratios:</b> Sharpe*: 3.82 Beta*: 0.00 Alpha*: 0.57 Standard Deviation*: 0.15 <b>(b) Institutional Plan - Corpus :</b> Rs. 78.72 crores <b>Ratios:</b> Sharpe*: 4.16 Beta*: 0.00 Alpha*: 0.62 Standard Deviation*: 0.15 <b>(c) Institutional Premium Plan - Corpus :</b> Rs. 3575.98 crores <b>Ratios:</b> Sharpe*: 9.61 Beta*: 0.00 Alpha*: 1.38 Standard Deviation*: 0.14 <b>YTM:</b> 8.25% *Source: Value Research. Portfolio Modified Duration: 0.17 yrs																																																																																																																																																																																																																																																																																								
<b>Benchmark</b>	Crisil Short Term Bond Index		CRISIL Liquid Fund Index																																																																																																																																																																																																																																																																																								
<b>Inception Date</b>	May 11, 2010		Regular Plan - October 5, 2000; Institutional Plan - March 14, 2003; Institutional Premium Plan - November 4, 2003																																																																																																																																																																																																																																																																																								
<b>Performance as on December 31, 2010</b>	 <p>Kotak Credit Opportunities Fund NAV : Rs. 10.2544 (Growth Option), Rs. 10.0145 (Weekly Dividend), Rs. 10.0341 (Monthly Dividend), Rs. 10.0266 (Quarterly Dividend), Rs. 10.287 (Annual Dividend) Returns &lt;= 1 year : Absolute. Returns &gt; 1 year : CAGR (Compounded Annualised Growth Rate) Scheme in existence for less than 1 year. Past performance may or may not be sustained in future.</p>		 <p>The benchmark returns corresponds to Kotak Liquid Institutional Premium Plan Kotak Liquid Regular Plan NAV: 18.5228 (Growth Option), Rs. 10.0303 (Dividend Option); Kotak Liquid Institutional Plan NAV: 18.9217 (Growth Option), Rs. 12.2281 (Daily Dividend), Rs. 10.0309 (Weekly Dividend) Kotak Liquid Institutional Premium Plan NAV: Rs. 19.4901 (Growth Option), Rs. 12.2281 (Daily Dividend), Rs. 10.0711 (Weekly Dividend) *All payouts during the period have been reinvested in the units of the scheme at the then prevailing NAV. Returns &lt;= 1 year : Absolute; Returns &gt; 1 year : CAGR (Compounded Annualised Growth Rate). Past performance may or may not be sustained in future.</p>																																																																																																																																																																																																																																																																																								
<b>Portfolio</b>	<table border="1"> <thead> <tr> <th>Issuer/ Instrument</th> <th>Industry/ Rating</th> <th>% to Net Assets</th> </tr> </thead> <tbody> <tr><td colspan="3"><b>Debt Instruments</b></td></tr> <tr><td colspan="3"><b>Debentures and Bonds</b></td></tr> <tr><td colspan="3"><b>Corporate Debt/Financial Institutions</b></td></tr> <tr><td>Shriram Transport Finance Co Ltd.</td><td>AA(ind)</td><td>13.54%</td></tr> <tr><td>Reliance Capital Ltd.</td><td>CARE AAA</td><td>11.72%</td></tr> <tr><td>Aditya Birla Nuvo Limited</td><td>LAA+</td><td>8.89%</td></tr> <tr><td>Geetanjali Trading and Investments Private Ltd.</td><td>BWR AAA(SO)</td><td>6.73%</td></tr> <tr><td>RHC Holdings Private Limited</td><td>Unrated</td><td>4.70%</td></tr> <tr><td>Citifinancial Consumer Finance India Ltd.</td><td>AA+</td><td>4.56%</td></tr> <tr><td>LIC Housing Finance Ltd.</td><td>AAA</td><td>3.29%</td></tr> <tr><td>Kotak Mahindra Prime Ltd.</td><td>LAA</td><td>2.94%</td></tr> <tr><td>Sundaram BNP Paribas Home Finance Ltd.</td><td>LAA</td><td>2.80%</td></tr> <tr><td>Tata Housing Development Co. Ltd.</td><td>CARE AA-</td><td>2.79%</td></tr> <tr><td>Cholamandalam DBS Finance Limited.</td><td>AA-</td><td>2.63%</td></tr> <tr><td>Tata Motors Finance Ltd.</td><td>LA+</td><td>2.61%</td></tr> <tr><td>Tata Motors Finance Ltd.</td><td>AA-</td><td>1.99%</td></tr> <tr><td>TATA Capital Ltd.</td><td>LAA+</td><td>1.56%</td></tr> <tr><td>Infrastructure Development Finance Co. Ltd.</td><td>AA+</td><td>1.35%</td></tr> <tr><td>AXIS Bank Ltd.</td><td>LAA+</td><td>1.33%</td></tr> <tr><td>ICICI Home Finance Company Limited</td><td>LAAA</td><td>1.21%</td></tr> <tr><td>ICICI Securities Primary Dealership Ltd.</td><td>AAA</td><td>0.93%</td></tr> <tr><td>Tata Communications Ltd.</td><td>CARE AAA</td><td>0.71%</td></tr> <tr><td>HDFC Ltd.</td><td>LAAA</td><td>0.13%</td></tr> <tr><td colspan="3"><b>Corporate Debt/Financial Institutions - Total</b></td></tr> <tr><td colspan="3"><b>Public Sector Undertakings</b></td></tr> <tr><td>Power Finance Corporation Ltd.</td><td>AAA</td><td>3.37%</td></tr> <tr><td>Union Bank of India</td><td>AA+</td><td>0.13%</td></tr> <tr><td>Rural Electrification Corporation Ltd.</td><td>AAA</td><td>0.12%</td></tr> <tr><td colspan="3"><b>Public Sector Undertakings - Total</b></td></tr> <tr><td colspan="3"><b>Money Market Instruments</b></td></tr> <tr><td colspan="3"><b>Commercial Paper(CP)/Certificate of Deposits(CD)</b></td></tr> <tr><td colspan="3"><b>Corporate Debt/Financial Institutions</b></td></tr> <tr><td>ECL Finance Limited</td><td>P1+</td><td>3.96%</td></tr> <tr><td>JM Financial Products Private Limited</td><td>P1+</td><td>3.28%</td></tr> <tr><td>Tata Teleservices Limited</td><td>PR1+</td><td>2.34%</td></tr> <tr><td>Sundaram Finance Ltd.</td><td>A1+</td><td>1.93%</td></tr> <tr><td>Reliance Capital Ltd.</td><td>A1+</td><td>1.47%</td></tr> <tr><td>Religare Finvest Ltd.</td><td>A1+</td><td>0.25%</td></tr> <tr><td>Tata Motors Ltd.</td><td>P1+</td><td>0.13%</td></tr> <tr><td colspan="3"><b>Corporate Debt/Financial Institutions - Total</b></td></tr> <tr><td colspan="3"><b>TERM DEPOSITS</b></td></tr> <tr><td>The South Indian Bank Limited</td><td></td><td>3.36%</td></tr> <tr><td colspan="3"><b>Term Deposits - Total</b></td></tr> <tr><td colspan="3"><b>Net Current Assets/(Liabilities)</b></td></tr> <tr><td colspan="3"><b>Grand Total</b></td></tr> <tr><td colspan="3"><b>Average Maturity of the portfolio based on total maturity of fixed rate &amp; immediate reset date of floating rate instruments: 1.25 years</b></td></tr> <tr><td colspan="3">Total NPA provided and percentage to NAV: NIL</td></tr> </tbody> </table>		Issuer/ Instrument	Industry/ Rating	% to Net Assets	<b>Debt Instruments</b>			<b>Debentures and Bonds</b>			<b>Corporate Debt/Financial Institutions</b>			Shriram Transport Finance Co Ltd.	AA(ind)	13.54%	Reliance Capital Ltd.	CARE AAA	11.72%	Aditya Birla Nuvo Limited	LAA+	8.89%	Geetanjali Trading and Investments Private Ltd.	BWR AAA(SO)	6.73%	RHC Holdings Private Limited	Unrated	4.70%	Citifinancial Consumer Finance India Ltd.	AA+	4.56%	LIC Housing Finance Ltd.	AAA	3.29%	Kotak Mahindra Prime Ltd.	LAA	2.94%	Sundaram BNP Paribas Home Finance Ltd.	LAA	2.80%	Tata Housing Development Co. Ltd.	CARE AA-	2.79%	Cholamandalam DBS Finance Limited.	AA-	2.63%	Tata Motors Finance Ltd.	LA+	2.61%	Tata Motors Finance Ltd.	AA-	1.99%	TATA Capital Ltd.	LAA+	1.56%	Infrastructure Development Finance Co. Ltd.	AA+	1.35%	AXIS Bank Ltd.	LAA+	1.33%	ICICI Home Finance Company Limited	LAAA	1.21%	ICICI Securities Primary Dealership Ltd.	AAA	0.93%	Tata Communications Ltd.	CARE AAA	0.71%	HDFC Ltd.	LAAA	0.13%	<b>Corporate Debt/Financial Institutions - Total</b>			<b>Public Sector Undertakings</b>			Power Finance Corporation Ltd.	AAA	3.37%	Union Bank of India	AA+	0.13%	Rural Electrification Corporation Ltd.	AAA	0.12%	<b>Public Sector Undertakings - Total</b>			<b>Money Market Instruments</b>			<b>Commercial Paper(CP)/Certificate of Deposits(CD)</b>			<b>Corporate Debt/Financial Institutions</b>			ECL Finance Limited	P1+	3.96%	JM Financial Products Private Limited	P1+	3.28%	Tata Teleservices Limited	PR1+	2.34%	Sundaram Finance Ltd.	A1+	1.93%	Reliance Capital Ltd.	A1+	1.47%	Religare Finvest Ltd.	A1+	0.25%	Tata Motors Ltd.	P1+	0.13%	<b>Corporate Debt/Financial Institutions - Total</b>			<b>TERM DEPOSITS</b>			The South Indian Bank Limited		3.36%	<b>Term Deposits - Total</b>			<b>Net Current Assets/(Liabilities)</b>			<b>Grand Total</b>			<b>Average Maturity of the portfolio based on total maturity of fixed rate &amp; immediate reset date of floating rate instruments: 1.25 years</b>			Total NPA provided and percentage to NAV: NIL			<table border="1"> <thead> <tr> <th>Issuer/ Instrument</th> <th>Industry/ Rating</th> <th>% to Net Assets</th> </tr> </thead> <tbody> <tr><td colspan="3"><b>Money Market Instruments</b></td></tr> <tr><td colspan="3"><b>Commercial Paper(CP)/Certificate of Deposits(CD)</b></td></tr> <tr><td colspan="3"><b>Corporate Debt/Financial Institutions</b></td></tr> <tr><td>ING Vysya Bank Ltd.</td><td>P1+</td><td>3.86%</td></tr> <tr><td>Dhanlaxmi Bank Ltd.</td><td>P1+</td><td>2.66%</td></tr> <tr><td>Century Textiles &amp; Industries Ltd.</td><td>PR1+</td><td>2.64%</td></tr> <tr><td>Aditya Birla Finance Ltd.</td><td>A1+</td><td>1.33%</td></tr> <tr><td>Usha Martin Ltd.</td><td>PR1+</td><td>1.32%</td></tr> <tr><td>Religare Finvest Ltd.</td><td>A1+</td><td>0.85%</td></tr> <tr><td>ICICI Bank Ltd.</td><td>A1+</td><td>0.67%</td></tr> <tr><td>AXIS Bank Ltd.</td><td>P1+</td><td>0.66%</td></tr> <tr><td>Karur Vysya Bank Ltd.</td><td>F1+(ind)</td><td>0.66%</td></tr> <tr><td>Federal Bank Ltd.</td><td>P1+</td><td>0.40%</td></tr> <tr><td>Tata Motors Ltd.</td><td>A1+</td><td>0.32%</td></tr> <tr><td>Raymond Ltd.</td><td>P1+</td><td>0.27%</td></tr> <tr><td>HDFC Bank Ltd.</td><td>P1+</td><td>0.13%</td></tr> <tr><td>Muthoot Finance Ltd.</td><td>P1+</td><td>0.03%</td></tr> <tr><td colspan="3"><b>Corporate Debt/Financial Institutions - Total</b></td></tr> <tr><td colspan="3"><b>Public Sector Undertakings</b></td></tr> <tr><td>Allahabad Bank</td><td>P1+</td><td>14%</td></tr> <tr><td>Punjab &amp; Sind Bank</td><td>A1+</td><td>8.01%</td></tr> <tr><td>Bank of Maharashtra</td><td>P1+</td><td>7.04%</td></tr> <tr><td>Punjab National Bank</td><td>P1+</td><td>5.54%</td></tr> <tr><td>Indian Oil Corporation Ltd.</td><td>P1+</td><td>5.30%</td></tr> <tr><td>UCO Bank</td><td>P1+</td><td>4.67%</td></tr> <tr><td>Oriental Bank of Commerce</td><td>P1+</td><td>4.52%</td></tr> <tr><td>IDBI Bank Ltd.</td><td>A1+</td><td>3.32%</td></tr> <tr><td>Canara Bank</td><td>P1+</td><td>2.91%</td></tr> <tr><td>Punjab &amp; Sind Bank Corporation Bank</td><td>P1+</td><td>2.68%</td></tr> <tr><td>Corporation Bank</td><td>P1+</td><td>2.65%</td></tr> <tr><td>Central Bank Of India</td><td>P1+</td><td>1.67%</td></tr> <tr><td>IDBI Bank Ltd.</td><td>P1+</td><td>1.47%</td></tr> <tr><td>IDBI Home Finance</td><td>A1+</td><td>1.32%</td></tr> <tr><td>State Bank of Travancore</td><td>P1+</td><td>0.80%</td></tr> <tr><td colspan="3"><b>Public Sector Undertakings - Total</b></td></tr> <tr><td colspan="3"><b>TERM DEPOSITS</b></td></tr> <tr><td>HDFC Bank Ltd.</td><td></td><td>6.75%</td></tr> <tr><td>The South Indian Bank Limited</td><td></td><td>6.75%</td></tr> <tr><td>Indusind Bank Ltd.</td><td></td><td>2.70%</td></tr> <tr><td colspan="3"><b>Term Deposits - Total</b></td></tr> <tr><td colspan="3"><b>Net Current Assets/(Liabilities)</b></td></tr> <tr><td colspan="3"><b>Grand Total</b></td></tr> <tr><td colspan="3"><b>Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments: 0.17 years</b></td></tr> <tr><td colspan="3">Total NPA provided and percentage to NAV: NIL</td></tr> </tbody> </table>		Issuer/ Instrument	Industry/ Rating	% to Net Assets	<b>Money Market Instruments</b>			<b>Commercial Paper(CP)/Certificate of Deposits(CD)</b>			<b>Corporate Debt/Financial Institutions</b>			ING Vysya Bank Ltd.	P1+	3.86%	Dhanlaxmi Bank Ltd.	P1+	2.66%	Century Textiles & Industries Ltd.	PR1+	2.64%	Aditya Birla Finance Ltd.	A1+	1.33%	Usha Martin Ltd.	PR1+	1.32%	Religare Finvest Ltd.	A1+	0.85%	ICICI Bank Ltd.	A1+	0.67%	AXIS Bank Ltd.	P1+	0.66%	Karur Vysya Bank Ltd.	F1+(ind)	0.66%	Federal Bank Ltd.	P1+	0.40%	Tata Motors Ltd.	A1+	0.32%	Raymond Ltd.	P1+	0.27%	HDFC Bank Ltd.	P1+	0.13%	Muthoot Finance Ltd.	P1+	0.03%	<b>Corporate Debt/Financial Institutions - Total</b>			<b>Public Sector Undertakings</b>			Allahabad Bank	P1+	14%	Punjab & Sind Bank	A1+	8.01%	Bank of Maharashtra	P1+	7.04%	Punjab National Bank	P1+	5.54%	Indian Oil Corporation Ltd.	P1+	5.30%	UCO Bank	P1+	4.67%	Oriental Bank of Commerce	P1+	4.52%	IDBI Bank Ltd.	A1+	3.32%	Canara Bank	P1+	2.91%	Punjab & Sind Bank Corporation Bank	P1+	2.68%	Corporation Bank	P1+	2.65%	Central Bank Of India	P1+	1.67%	IDBI Bank Ltd.	P1+	1.47%	IDBI Home Finance	A1+	1.32%	State Bank of Travancore	P1+	0.80%	<b>Public Sector Undertakings - Total</b>			<b>TERM DEPOSITS</b>			HDFC Bank Ltd.		6.75%	The South Indian Bank Limited		6.75%	Indusind Bank Ltd.		2.70%	<b>Term Deposits - Total</b>			<b>Net Current Assets/(Liabilities)</b>			<b>Grand Total</b>			<b>Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments: 0.17 years</b>			Total NPA provided and percentage to NAV: NIL		
Issuer/ Instrument	Industry/ Rating	% to Net Assets																																																																																																																																																																																																																																																																																									
<b>Debt Instruments</b>																																																																																																																																																																																																																																																																																											
<b>Debentures and Bonds</b>																																																																																																																																																																																																																																																																																											
<b>Corporate Debt/Financial Institutions</b>																																																																																																																																																																																																																																																																																											
Shriram Transport Finance Co Ltd.	AA(ind)	13.54%																																																																																																																																																																																																																																																																																									
Reliance Capital Ltd.	CARE AAA	11.72%																																																																																																																																																																																																																																																																																									
Aditya Birla Nuvo Limited	LAA+	8.89%																																																																																																																																																																																																																																																																																									
Geetanjali Trading and Investments Private Ltd.	BWR AAA(SO)	6.73%																																																																																																																																																																																																																																																																																									
RHC Holdings Private Limited	Unrated	4.70%																																																																																																																																																																																																																																																																																									
Citifinancial Consumer Finance India Ltd.	AA+	4.56%																																																																																																																																																																																																																																																																																									
LIC Housing Finance Ltd.	AAA	3.29%																																																																																																																																																																																																																																																																																									
Kotak Mahindra Prime Ltd.	LAA	2.94%																																																																																																																																																																																																																																																																																									
Sundaram BNP Paribas Home Finance Ltd.	LAA	2.80%																																																																																																																																																																																																																																																																																									
Tata Housing Development Co. Ltd.	CARE AA-	2.79%																																																																																																																																																																																																																																																																																									
Cholamandalam DBS Finance Limited.	AA-	2.63%																																																																																																																																																																																																																																																																																									
Tata Motors Finance Ltd.	LA+	2.61%																																																																																																																																																																																																																																																																																									
Tata Motors Finance Ltd.	AA-	1.99%																																																																																																																																																																																																																																																																																									
TATA Capital Ltd.	LAA+	1.56%																																																																																																																																																																																																																																																																																									
Infrastructure Development Finance Co. Ltd.	AA+	1.35%																																																																																																																																																																																																																																																																																									
AXIS Bank Ltd.	LAA+	1.33%																																																																																																																																																																																																																																																																																									
ICICI Home Finance Company Limited	LAAA	1.21%																																																																																																																																																																																																																																																																																									
ICICI Securities Primary Dealership Ltd.	AAA	0.93%																																																																																																																																																																																																																																																																																									
Tata Communications Ltd.	CARE AAA	0.71%																																																																																																																																																																																																																																																																																									
HDFC Ltd.	LAAA	0.13%																																																																																																																																																																																																																																																																																									
<b>Corporate Debt/Financial Institutions - Total</b>																																																																																																																																																																																																																																																																																											
<b>Public Sector Undertakings</b>																																																																																																																																																																																																																																																																																											
Power Finance Corporation Ltd.	AAA	3.37%																																																																																																																																																																																																																																																																																									
Union Bank of India	AA+	0.13%																																																																																																																																																																																																																																																																																									
Rural Electrification Corporation Ltd.	AAA	0.12%																																																																																																																																																																																																																																																																																									
<b>Public Sector Undertakings - Total</b>																																																																																																																																																																																																																																																																																											
<b>Money Market Instruments</b>																																																																																																																																																																																																																																																																																											
<b>Commercial Paper(CP)/Certificate of Deposits(CD)</b>																																																																																																																																																																																																																																																																																											
<b>Corporate Debt/Financial Institutions</b>																																																																																																																																																																																																																																																																																											
ECL Finance Limited	P1+	3.96%																																																																																																																																																																																																																																																																																									
JM Financial Products Private Limited	P1+	3.28%																																																																																																																																																																																																																																																																																									
Tata Teleservices Limited	PR1+	2.34%																																																																																																																																																																																																																																																																																									
Sundaram Finance Ltd.	A1+	1.93%																																																																																																																																																																																																																																																																																									
Reliance Capital Ltd.	A1+	1.47%																																																																																																																																																																																																																																																																																									
Religare Finvest Ltd.	A1+	0.25%																																																																																																																																																																																																																																																																																									
Tata Motors Ltd.	P1+	0.13%																																																																																																																																																																																																																																																																																									
<b>Corporate Debt/Financial Institutions - Total</b>																																																																																																																																																																																																																																																																																											
<b>TERM DEPOSITS</b>																																																																																																																																																																																																																																																																																											
The South Indian Bank Limited		3.36%																																																																																																																																																																																																																																																																																									
<b>Term Deposits - Total</b>																																																																																																																																																																																																																																																																																											
<b>Net Current Assets/(Liabilities)</b>																																																																																																																																																																																																																																																																																											
<b>Grand Total</b>																																																																																																																																																																																																																																																																																											
<b>Average Maturity of the portfolio based on total maturity of fixed rate &amp; immediate reset date of floating rate instruments: 1.25 years</b>																																																																																																																																																																																																																																																																																											
Total NPA provided and percentage to NAV: NIL																																																																																																																																																																																																																																																																																											
Issuer/ Instrument	Industry/ Rating	% to Net Assets																																																																																																																																																																																																																																																																																									
<b>Money Market Instruments</b>																																																																																																																																																																																																																																																																																											
<b>Commercial Paper(CP)/Certificate of Deposits(CD)</b>																																																																																																																																																																																																																																																																																											
<b>Corporate Debt/Financial Institutions</b>																																																																																																																																																																																																																																																																																											
ING Vysya Bank Ltd.	P1+	3.86%																																																																																																																																																																																																																																																																																									
Dhanlaxmi Bank Ltd.	P1+	2.66%																																																																																																																																																																																																																																																																																									
Century Textiles & Industries Ltd.	PR1+	2.64%																																																																																																																																																																																																																																																																																									
Aditya Birla Finance Ltd.	A1+	1.33%																																																																																																																																																																																																																																																																																									
Usha Martin Ltd.	PR1+	1.32%																																																																																																																																																																																																																																																																																									
Religare Finvest Ltd.	A1+	0.85%																																																																																																																																																																																																																																																																																									
ICICI Bank Ltd.	A1+	0.67%																																																																																																																																																																																																																																																																																									
AXIS Bank Ltd.	P1+	0.66%																																																																																																																																																																																																																																																																																									
Karur Vysya Bank Ltd.	F1+(ind)	0.66%																																																																																																																																																																																																																																																																																									
Federal Bank Ltd.	P1+	0.40%																																																																																																																																																																																																																																																																																									
Tata Motors Ltd.	A1+	0.32%																																																																																																																																																																																																																																																																																									
Raymond Ltd.	P1+	0.27%																																																																																																																																																																																																																																																																																									
HDFC Bank Ltd.	P1+	0.13%																																																																																																																																																																																																																																																																																									
Muthoot Finance Ltd.	P1+	0.03%																																																																																																																																																																																																																																																																																									
<b>Corporate Debt/Financial Institutions - Total</b>																																																																																																																																																																																																																																																																																											
<b>Public Sector Undertakings</b>																																																																																																																																																																																																																																																																																											
Allahabad Bank	P1+	14%																																																																																																																																																																																																																																																																																									
Punjab & Sind Bank	A1+	8.01%																																																																																																																																																																																																																																																																																									
Bank of Maharashtra	P1+	7.04%																																																																																																																																																																																																																																																																																									
Punjab National Bank	P1+	5.54%																																																																																																																																																																																																																																																																																									
Indian Oil Corporation Ltd.	P1+	5.30%																																																																																																																																																																																																																																																																																									
UCO Bank	P1+	4.67%																																																																																																																																																																																																																																																																																									
Oriental Bank of Commerce	P1+	4.52%																																																																																																																																																																																																																																																																																									
IDBI Bank Ltd.	A1+	3.32%																																																																																																																																																																																																																																																																																									
Canara Bank	P1+	2.91%																																																																																																																																																																																																																																																																																									
Punjab & Sind Bank Corporation Bank	P1+	2.68%																																																																																																																																																																																																																																																																																									
Corporation Bank	P1+	2.65%																																																																																																																																																																																																																																																																																									
Central Bank Of India	P1+	1.67%																																																																																																																																																																																																																																																																																									
IDBI Bank Ltd.	P1+	1.47%																																																																																																																																																																																																																																																																																									
IDBI Home Finance	A1+	1.32%																																																																																																																																																																																																																																																																																									
State Bank of Travancore	P1+	0.80%																																																																																																																																																																																																																																																																																									
<b>Public Sector Undertakings - Total</b>																																																																																																																																																																																																																																																																																											
<b>TERM DEPOSITS</b>																																																																																																																																																																																																																																																																																											
HDFC Bank Ltd.		6.75%																																																																																																																																																																																																																																																																																									
The South Indian Bank Limited		6.75%																																																																																																																																																																																																																																																																																									
Indusind Bank Ltd.		2.70%																																																																																																																																																																																																																																																																																									
<b>Term Deposits - Total</b>																																																																																																																																																																																																																																																																																											
<b>Net Current Assets/(Liabilities)</b>																																																																																																																																																																																																																																																																																											
<b>Grand Total</b>																																																																																																																																																																																																																																																																																											
<b>Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments: 0.17 years</b>																																																																																																																																																																																																																																																																																											
Total NPA provided and percentage to NAV: NIL																																																																																																																																																																																																																																																																																											
<b>Sector Allocation</b>	Debentures and Bonds 80.03% Commercial Paper (CP)/Certificate of Deposits (CD) 13.36% CBLO & Term Deposits & Rev.Repo 3.36% Net Current Assets 3.25%		Commercial Paper (CP)/Certificate of Deposits (CD) 81.7% CBLO & Term Deposits & Rev.Repo 16.2% Net Current Assets 2.1%																																																																																																																																																																																																																																																																																								
<b>Rating Profile</b>	AA+, LAA+, AA(ind), LAA, AA-, CARE AA- 44.51% A1+, AAA, BWR AAA(SO), CARE AAA, LAAA, P1+, PR1+ 41.57% Unrated 4.7% CBLO & Term Deposits & Rev.Repo 3.36% Net Current Assets 3.25% LA+ 2.61%		A1+, F1+(ind), P1+, PR1+ 81.7% CBLO & Term Deposits & Rev.Repo 16.2% Net Current Assets 2.1% <b>Risk free rate of returns for Sharpe ratio : 7.35%</b>																																																																																																																																																																																																																																																																																								

# ABOUT OUR FUND MANAGERS

## FUND MANAGER

**Name: Mr. Krishna Sanghvi**

**Scheme (experience in managing these funds since)**

Kotak 50 (Jul 11, '07), Kotak Opportunities (Jul 11, '07), Kotak Lifestyle (Sep 11, '07), Kotak Balance (Jul 11, '07), Kotak Income Plus (Apr 15, '09), Kotak Income Plus (Jul 11, '07), Kotak Contra (May 27, '10), Kotak Tax Saver (May 27, '10)

**Name: Mr. Sajit Pisharodi**

**Scheme (experience in managing these funds since)**

Kotak Equity Arbitrage (Sep. 29, '05), Kotak Equity FOF (Aug. 31, '05)

**Name: Mr. Abhishek Bisen**

**Scheme (experience in managing these funds since)**

Kotak Equity Arbitrage Fund (Apr. 15, 2008), Kotak Balance (Apr. 15, 2008), Kotak Select Focus Fund (Sep 11, '09), Kotak Income Plus (Apr. 15, 2008), Kotak Bond Short Term (Apr 15, 2008), Kotak Bond (Regular & Deposit) (Apr. 15, 2008), Kotak Gilt Savings (Apr 15, 2008), Kotak Gilt Investment (Regular & PF-Trust) (Apr. 15, 2008), Kotak Flexi Debt (Apr. 15, 2008), Kotak Floater Long Term (Apr. 15, 2008) Kotak Floater Short Term (Apr. 15, 2008), Kotak Liquid (Regular, Institutional & Institutional Premium) (Apr. 15, 2008), Kotak Credit Opportunities Fund (May 11, '10), Kotak Global Emerging Market Fund (Apr. 15, '08)

**Name: Mr. Emmanuel Elango**

**Scheme (experience in managing these funds since)**

Kotak Lifestyle (Sep. 1, '08), Kotak Contra (Sep. 1, '08), Kotak Select Focus Fund (Sep. 11, '09), Kotak Midcap (May 27, '10), Kotak Emerging Equity (Sep. 1, '08)

**Name: Mr. Deepak Agrawal**

**Scheme (experience in managing these funds since)**

Kotak Bond Short Term (Apr. 14, '08), Kotak Flexi Debt (Jul. 11, '07), Kotak Floater Short Term (Jul. 11, '07), Kotak Liquid (Jul. 11, '07), Kotak Bond (Regular & Deposit) (Apr. 14, '08), Kotak Gilt - Savings (Apr. 14, '08), Kotak Gilt - Investment & PF-Trust Plan (Apr. 14, '08), Kotak Floater Long Term (Jul. 11, '07), Kotak Credit Opportunities Fund (May 11, '10)

**Name: Mr. Deepak Gupta**

**Scheme (experience in managing these funds since)**

Kotak Equity Arbitrage (Sept. 1, '08), Kotak Equity FOF (Sept. 1, '08)

**Name: Mr. Pankaj Tibrewal**

**Scheme (experience in managing these funds since)**

Kotak Opportunities (Jan. 21, '10), Kotak Midcap (Jan. 21, '10) Kotak Tax Saver (Jan. 21, '10), Kotak Emerging Equity (May 27, '10), Kotak Income Plus (Dec. 20, '10), Kotak Balance (Dec. 20, '10)

**Name: Mr. Abhijeet Dey**

**Scheme (experience in managing these funds since)**

Kotak Global Emerging Market Fund (Sep. 11, '07)

**Name: Mr. Pradeep Kumar**

**Scheme (experience in managing this fund since)**

Kotak 50 (Dec. 1, '10)

## BUSINESS EXPERIENCE

Mr. Krishna Sanghvi's experience is nearly 14 years. He joined Kotak Mahindra Group in 1997 and has worked with Kotak Mahindra Primus Ltd., Kotak Mahindra Finance Ltd. & Kotak Mahindra Old Mutual Life Insurance Ltd before joining Kotak Mahindra Asset Management Company. Mr. Sanghvi has significant experience in Credit Appraisal & Credit Risk Management, Dealer Finance, Business Planning and Fund Management. He has been associated with the Asset Management Company since February 2006 where he has been in the Equity Fund Management team managing equity portfolio.

Mr. Sajit Pisharodi's experience is nearly 15 years. He joined the organization in February 2004 in the equity fund management team. Prior to joining Kotak AMC, he was in the fund management team of SBI Funds Management Pvt. Ltd. He has also worked in the equity sales in the banking arm of IDBI. Prior to IDBI he had a short stint with Stock Holding Corporation of India Ltd.

Mr. Abhishek Bisen has been associated with the company since October 2006 and his key responsibilities include fund management of debt schemes. Prior to joining Kotak AMC, Abhishek was working with Securities Trading Corporation Of India Ltd where he was looking at Sales & Trading of Fixed Income Products apart from doing Portfolio Advisory. His earlier assignments also include 2 years of merchant banking experience with a leading merchant banking firm.

Mr. Emmanuel Elango's association with the AMC has been since July 2008. Mr. Elango started his career as a Designer Engineer with Bosch. After his management studies, Mr. Elango has also worked with JP Morgan and Franklin Templeton AMC in India. His total experience is 6.5 years.

Mr. Deepak Agrawal's career has started from Kotak AMC when he joined the organization in December 2002 where he was initially in Research, Dealing and then moved into Fund Management from November 2006

Mr. Deepak Gupta has 4 years of experience in the mutual fund industry. He worked in the Operations division of Kotak AMC for 2 years. Subsequently, in Apr., 2007, he moved to the Equity Fund Management team as a research analyst.

Mr. Pankaj Tibrewal has more than 6 years experience in fund management area. Prior to joining Kotak AMC, he was in the fund management team of Principal PNB Asset Management Private Ltd.

Mr. Abhijeet Dey has 7 years of experience in the equity markets. Worked as an equity research analyst tracking the automotive and cement sectors. His prior assignments were with the consulting firm Frost & Sullivan India as an automotive industry analyst and Indiainfoline.com as an equity research analyst. His last assignment was with Pioneer Intermediaries Pvt. Ltd in equity research.

Mr. Pradeep Kumar has 10 years' experience in Fund Management and Equity Analysis. Prior to joining of Kotak AMC Ltd, He was a fund manager of Religare Asset Management, ABN Amro Mutual Fund & also he was associated with DBS Cholamandalam AMC. Before his entry into the investment field, Pradeep has also worked as a Mechanical Engineer with Hindustan Copper Ltd. Along with being a CFA Charterholder, Pradeep holds a Mechanical Engineering degree and has also completed his Masters of Management Studies in Finance.

## EQUITY SCHEMES

Record Date	Cum Dividend NAV	Rs/Unit
<b>Kotak 50 - Dividend</b>		
Jan-22-10	32.038	3.00
Mar-30-09	20.021	1.00
Feb-28-08	39.091	3.00
Jan-11-08	51.398	6.00
July-20-07	38.869	3.00
Dec-27-06	38.556	5.50
Dec-27-05	27.711	1.00
Jun-03-05	20.345	1.00
Nov-05-04	18.060	1.50
Jan-31-04	21.093	5.00
Oct-20-03	18.983	2.00
Dec-28-01	11.036	1.00
Oct-09-00	17.556	2.00
Dec-11-99	22.954	2.00
<b>Kotak Contra</b>		
Jul-27-07	16.0365	2.00
Jul-30-10	19.063	1.50
<b>Kotak Opportunities</b>		
May-28-10	14.625	1.00
Sept-8-09	14.733	1.50
Mar-14-08	16.975	2.00
Jan-25-08	27.090	6.00
Sept-28-07	24.293	3.00
Sept-27-06	17.745	1.50
Mar-21-06	21.783	4.50
Sept-28-05	16.816	1.00
Feb-25-05	12.852	0.75
<b>Kotak Midcap</b>		
Feb-19-10	20.938	1.50
Apr-28-06	19.437	4.00
Aug-24-05	13.026	0.50
<b>Kotak Tax Saver</b>		
Feb-08-08	15.189	3.50
Feb-20-07	11.640	3.00

## DIVIDEND HISTORY

Record Date	Cum Dividend NAV	Rs/Unit
<b>Kotak Lifestyle</b>		
Jun-29-07	13.067	1.75
<b>Kotak Equity FOF</b>		
Aug-31-10	36.599	1.00
<b>Kotak Select Focus</b>		
Oct-15-10	12.850	1.25
<b>HYBRID SCHEMES</b>		
<b>Kotak Balance</b>		
Sept-29-10	24.617	0.75
Mar-25-10	23.753	2.00
Sept-25-09	23.271	1.00
Mar-25-08	25.629	4.00
Sept-25-07	28.078	2.00
Sept-27-06	22.870	1.00
Mar-27-06	26.645	3.50
Dec-12-05	22.232	1.00
May-16-05	18.129	0.75
Dec-13-04	16.175	0.50
Dec-12-03	15.559	2.75
<b>Kotak Income Plus - Monthly Dividend</b>		
13-Dec-10	10.1292	Individual/ HUF: 0.0613 Others: 0.0571
Nov-12-10	10.3454	Individual/ HUF: 0.0573 Others: 0.0534
Oct-12-10	10.363	Individual/ HUF: 0.0728 Others: 0.0678
Sept-13-10	10.3695	Individual/ HUF: 0.0785 Others: 0.0731
<b>Kotak Income Plus- Quarterly Dividend</b>		
20-Dec-10	10.5322	Individual/ HUF: 0.1846 Others: 0.1720
Sept-20-10	10.836	Individual/ HUF: 0.2622 Others: 0.2443
Jun-21-10	10.6653	Individual/ HUF: 0.1401 Others: 0.1306
Mar-22-10	10.6607	Individual/ HUF: 0.1834 Others: 0.1707

## RISK FACTORS

We declare that we, Kotak Mahindra Asset Management Company Limited, and / or are employees, have short / long positions in the security(ies) in respect of which investment advice is being rendered.

### Risk Factors:

- **Mutual Funds and securities investments are subject to market risks and there is no assurance or guarantee that the objectives of the Schemes will be achieved.**
- **As with any securities investment, the NAV of the Units issued under the Schemes can go up or down depending on the factors and forces affecting the securities markets.** Past performance of the Sponsor/ AMC/ Fund or that of existing Schemes of the Fund does not indicate the future performance of the Schemes.
- **Kotak Mahindra Gilt Unit Scheme\*98 (Kotak Gilt), Kotak Mahindra Bond Unit Scheme 99 (Kotak Bond), Kotak Mahindra Liquid Scheme (Kotak Liquid), Kotak Mahindra 50 Unit Scheme (Kotak 50), Kotak Mahindra Balance Unit Scheme 99 (Kotak Balance), Kotak Mid-Cap Scheme (Kotak Mid-Cap), Kotak Floater Short Term Scheme, Kotak Mahindra Income Plus Scheme (Kotak Income Plus), Kotak Equity FOF, Kotak Opportunities, Kotak Floater Long Term Scheme, Kotak Flexi Debt Scheme (Kotak Flexi Debt), Kotak Contra Scheme, Kotak Equity Arbitrage Scheme, Kotak Tax Saver, Kotak Lifestyle, Kotak Select Focus, Kotak Emerging Equity Scheme, Kotak Credit Opportunities Fund & Kotak Global Emerging Market Fund are only the names of the Schemes and do not in any manner indicate the quality of the Schemes, future prospects or returns.**

### Statutory Details:

Kotak Mahindra Mutual Fund has been established as a trust under the Indian Trusts Act, 1882, by Kotak Mahindra Bank Limited (liability Rs. NIL) with Kotak Mahindra Trustee Company Limited as the Trustee and with Kotak Mahindra Asset Management Company Limited as the Investment Manager. Kotak Mahindra Bank Limited is not liable or responsible for any loss or shortfall resulting from the operations of the Scheme. Past performance of the Sponsor/ AMC/ Fund does not indicate the Schemes future performance. Mutual Fund investments are subject to market risks, Please read the Scheme Information Document (SID) and statement of Additional Information (SAI) carefully before investing.

## IMPORTANT FACTS

### THIRD PARTY PAYMENT

Reference to AMFI Best Practice Guidelines Circular No. 16/2010 -11 on Risk Mitigation process against Third Party Cheques in Mutual Fund, Subscriptions will not be accepted by the Scheme.

### Definition of Third Party Cheques

Where payment is made through instruments issued from an account other than that of the beneficiary investor, the same is referred to as Third-Party payment.

In case of a payment from a joint bank account, the first holder of the mutual fund folio has to be one of the joint holders of the bank account from which payment is made. If this criterion is not fulfilled, then this is also construed to be a third party payment.

However, afore-mentioned clause of investment with Third-Party Payment shall not be applicable for the below mentioned exceptional cases.

- a. Payment by Parents/Grand-Parents/related persons on behalf of a minor in consideration of natural love and affection or as gift for a value not exceeding Rs.50,000/- (each regular purchase or per SIP installment)
- b. Payment by Employer on behalf of employee under Systematic Investment Plans/ Lump sum investment through Payroll deductions.
- c. Custodian on behalf of an FI or a client.

For pre funded instruments such as DD/Pay order it is the onus of the investor to provide adequate supporting documents to prove that such instruments are issued by debiting the first holders account.

Kotak Mahindra Asset Management Co. Ltd. / Trustee retains the sole and absolute discretion to reject/ not process application and refund subscription money if the subscription does not comply with the specified provisions of Payment Instruments

### KNOW YOUR CLIENT (KYC)

With reference to AMFI Circular 35/MEM-COR/62/10-11 dated October 7, 2010, investors may kindly note w.e.f. January 1, 2011, it is mandatory for all individual investors to be KYC Compliant through the existing CVL platform, irrespective of the amount of investment.

In the event of KYC Form being subsequently rejected for lack of information/ deficiency/insufficiency of mandatory documentation, the investment transaction will be cancelled and the amount may be redeemed at applicable NAV, subject to payment of exit load, wherever applicable. Such redemption proceeds will be dispatched within a maximum period of 21 days from date of acceptance of KYC forms by the central Agency.

## SERVICES & FACILITIES

- **Network of Transaction Acceptance Points:** Submit transaction requests at your convenience across our 27 Investor Service Centres and 201 Transaction Points of CAMS. (To locate these, visit the "Contact Us" section on our website, [www.kotakmutual.com](http://www.kotakmutual.com)).
- **Electronic Credit of Dividends and Redemption Proceeds:** Have your dividend payouts and redemption proceeds paid directly into your bank account\*. No more worrying about cheques lost in transit or queuing at a bank to deposit cheques. \* Available for accounts in the following banks only: ABN Amro Bank, AXIS Bank, Corporation Bank, Deutsche Bank, HDFC Bank, HSBC, ICICI Bank, IDBI Bank, Indusind Bank, Kotak Mahindra Bank, Standard Chartered Bank, Yes Bank.
- **Systematic Investments, Withdrawals and Transfers:** Our Systematic Investment Facility provides you with the option of investing a fixed amount over a period of time, in a disciplined manner. Through this process, you benefit from Rupee Cost Averaging (buying more Units at lower NAV), and avoid the uncertainties involved with trying to time the market. Through our Systematic Withdrawal Facility, withdraw fixed amounts, or the entire appreciation on your investment, in any scheme periodically and benefit by averaging out on market fluctuations. To systematically transfer investments from one Kotak scheme to another, try our Systematic Transfer Facility. This tool also helps you manage your investment portfolio among Kotak Mutual Schemes, in line with your asset allocation plan.
- **Internet Transaction:** You can now purchase, switch, Redeem, view your account statement Invest in NFO, electronically through our Internet Transaction Facility. For more details please log on to [www.kotakmutual.com](http://www.kotakmutual.com)
- **E-mail Communication:** Opt in to value-added information through e-mail: Daily NAV and Dividend Updates, Monthly Updates, weekly and more.
- **Website Utilities:** Plan and track your investments better. Use our Risk Profiler to assess your risk appetite, our Financial Planner to plan investments and financial goals and our Returns Calculator to measure your earnings from Kotak Mutual schemes. Just register, free, at [www.kotakmutual.com](http://www.kotakmutual.com), and access all these facilities.

## CONTACT DETAILS

For details contact us at:

### KOTAK MAHINDRA ASSET MANAGEMENT COMPANY LIMITED

6th Floor, Kotak Infinity, Building No. 21, Infinity Park, Off Western Express Highway, Gen. A. K. Vaidya Marg, Malad (East), Mumbai – 400 097.

Tel.: 91-22-6638 4400 Fax: 91-22-6638 4455 E-mail: [mutual@kotak.com](mailto:mutual@kotak.com) Website: [www.kotakmutual.com](http://www.kotakmutual.com)

Corporate Office of Asset Management Company: 6th Floor, Vinay Bhavya Complex, 159-A, C S T Road, Kalina, Santacruz (E), Mumbai – 400 098.

Agra: 0562-4009647

Ahmedabad: 079-26779888/ 26766077

Ajmer: 0145-2628881

Aligarh: 0571-6453223

Allahabad: 0532-6456177

Ambala: 0171-6451570/71

Amritsar: 0183-6575777/ 6576777

Anand: 02692-650281

Aurangabad: 0240-6611189

Bangalore: 080-66128050/ 51

Bareilly: 0581-6452934

Bathinda: 0164-6546601

Bhavnagar: 0278-6544221

Bhilai: 0788-2225385

Bhopal: 0755-6461018

Bhubaneswar: 0674-6510250/ 2597193/ 9776000097

Bhubaneswar: 02832-653976

Calicut: 495-6576552

Chandigarh: 0172-4671885/ 5049476

Chennai: 044-28221333/ 45038171

Cochin: 0484-6533110/ 4064646

Coimbatore: 422-6572165

Cuttack: 0671-6510166/ 9776000093

Dehradun: 135-2742900/ 6453000

Dhanbad: 0326-6450798

Durgapur: 0343-6456038/ 2544609

Goa: 0832-6650490

Gorakpur: 0551-2204127

Guntur: 0863-6632060

Gurgaon: 0124-6464077

Guwahati: 0361-2734784

Hubli: 0836-6450140

Hyderabad: 040-66178140/ 41/ 42

Indore: 0731-2545414/ 6453390

Jaipur: 141-6503339/ 2373879

Jalandhar: 0181-2233481

Jalgaon: 0257-2237131/ 32

Jammu: 0191-2470779

Jamnagar: 0288-6540129

Jamshedpur: 0657-2756045

Jodhpur: 0291-2630625

Kanpur: 0512-6454641/ 2541017

Kolhapur: 0231-6610390/ 91

Kolkata: 033-64509803/ 64509817/ 19

Kota: 0744-2366477

Kottayam: 0481-6452922

Lucknow: 522-4021168/ 4021169

Ludhiana: 0161-4646602/ 4646604

Madurai: 452-4378728

Mangalore: 0824-6452006

Meerut: 0121-4007753

Mumbai: 022-66384400

Mumbai (Thane): 022-65970185/ 186

Mumbai (Borivli): 022-65241034/ 65241035

Muradabad: 0591-6456667

Mysore: 0821-6541192

Nagpur: 0712-6638353/ 54

Nashik: 253-6574255

New Delhi: 011-66306900/ 02

New Delhi (Pitampura): 011-64733475/ 64733476

Panipat: 0180-4022062

Patiala: 0175-6451766

Patna: 0612-6451120

Pondicherry: 9962029229

Pune: 9520-64014800/ 64013395

Raipur: 0771-4270917

Rajkot: 0281-6620735

Ranchi: 0651-6454629/ 2332274/ 9709001533

Rourkela: 0661-6450114/ 9776000036

Salem: 0427-6450115

Shimla: 0177-6451211/ 2807911

Silliguri: 0353-2522012

Surat: 0261-6450004/ 6536677

Trichy: 0431-6460668

Trivandrum: 0471-4470134

Udaipur: 0294-6451094

Vadodara: 0265-6533957/ 6560167

Vapi: 260-6534863/ 260-6453920

Varanasi: 0542-6456985

Vijayawada: 0866-66459930

Vishakapatnam: 0891-6452145

To know more about mutual funds  
Visit: [www.kotakmutual.com](http://www.kotakmutual.com)

Toll Free Number : 1800 222 626  
For daily NAVs: Call 022-66384400